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THE FUTURE OF SOCIALISM

Articles by:

Samir Amin, Peter Marcuse, John Saul, Daniel Singer, Paul M. Sweezy, and Carlos M. Vilas

Special 112-page issue

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NOTES FROM THE EDITORS

Natural History magazine for May 1990 carries a very interesting article entitled "World Without End," by Lester Brown, Christopher Flavin, and Sandra Postel, adapted from *State of the World 1990.* Here are the first three introductory paragraphs:

The throwaway society that has emerged during the late twentieth century uses so much energy, emits so much carbon, and generates so much air pollution, toxic waste, and rubbish that it is strangling itself. Rooted in the concept of planned obsolescence and appeals to convenience, it will be seen by historians as an economic aberration.

If a throwaway culture leads inevitably to pollution and depletion of natural resources, how can we build an environmentally stable future and still satisfy our material needs? Creating a sustainable life style requires vision. If not fossil fuels to power society, then what? If forests are no longer to be cleared to grow food, then how is a larger population to be fed?

If the world is not to fatally overtax its natural systems, we will need to achieve sustainability within the next forty years. If we have not succeeded by then, environmental deterioration and economic decline are likely to be feeding on each other, pulling us into a downward spiral of social disintegration. Our vision of the future therefore looks to the year 2030.

In one respect, this summary statement is admirable and non-controversial. Everything we have read by reputable ecologists and environmentalists

(Continued on inside back cover)

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EDITOR'S PREFACE

by W.H. LOCKE ANDERSON

It has been quite a while since *MR* has produced a summer issue in which several authors address various aspects of a common theme. Normally, it is a major organizational task to assemble enough pieces to make such a project possible at all, not to mention to assure that the various contributions are all first-rate. The last time this happened was four years ago, in July–August 1986, when David Himmelstein and Steffie Woolhandler produced *Science, Technology, and Capitalism*, an heroic effort for which they deserve the highest credit.

I wish I could claim the same credit for assembling the present issue, which is, I suspect, one of the most important in *MR*'s long history. But in fact the articles fairly dropped into our hands. It is a telling compliment to the international stature of the magazine that so many first-rate political analysts from abroad would, as a matter of course, want to send us their reflections on the historically important events and trends of our times. But *Monthly Review*'s long-standing internationalist stance attracts a cosmopolitan roster of regular contributors, and so it is only normal that nearly all of this issue should have been written outside the United States.

Paul Sweezy's new preface for the Japanese edition of his collection of essays, *Post-Revolutionary Society*, serves equally well as a second preface to the present issue. This small essay argues that the form of state formation that emerged from the Russian Revolution of 1917 and was imposed on Eastern

Locke Anderson is Associate Editor of *Monthly Review*.

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Europe after its "liberation" in 1945 was, ultimately, a *failed* model for building socialism, and by implication that the countless comrades who persisted for many years in viewing with optimism the states patterned on this model were wrong. After a genuine socialist revolution, the Soviet Union itself had in fact become a new form of class society by the middle of the 1930s, a highly authoritarian form, and it enforced this form on the states it created to the west of its borders.

Every publication that addresses the future of socialism, a political movement whose doctrinal roots and political manifestations have until relatively recent decades been largely confined to Europe and its North American cultural subsidiary, would be fortunate to begin with a piece by Samir Amin, that creative and far-seeing African thinker who holds up to the European world a mirror in which it cannot fail to see its own increasing marginality. Socialism cannot survive in Europe and North America alone. Indeed, socialists who insist on seeing their future in terms of a Northern agenda are unworthy of the name. If socialism is to have a global future, therefore, it must adopt what Amin calls a polycentric strategy and ethos.

Amin's article is followed by a letter from Peter Marcuse, who went to East Germany last fall to study and lecture on housing and urban planning, his area of professional expertise. Following a side trip to Moscow, he returned to East Berlin in October, and after being swept up in a mass arrest, he settled into a ringside seat at the collapse of the German Democratic Republic. His observations on this process are a measured and judicious blend of narrative and analysis, closing with the observation that although the struggle for socialism in Germany has suffered a major setback, it has not been lost. The genuine socialist elements that seemed as though they might assume power in East Germany only a few months ago are now in opposition, but are not crushed.

While the basis for these dramatic changes was maturing in Europe, changes that are in their own way of comparable significance were taking place in southern Africa, and their dramatic manifestations have also captured the public spotlight—the legalization of the African National Congress, the

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release of Nelson Mandela and others from prison, the return from abroad of other South African revolutionary leaders, the symbolically important meeting of Mandela and F.W. De Klerk. John Saul's assessment was therefore particularly welcome when it arrived in time for inclusion. Although socialism in South Africa itself is still a distant possibility at best, the democratic struggle in that country without question holds the keys to change throughout much of the rest of southern Africa.

Readers of *MR*, *The Nation*, and other publications have been treated of late to a series of penetrating and eloquent analyses by Daniel Singer of the continuing changes in the Soviet Union and Eastern Europe, and this issue contains yet another. Singer's viewpoint is always informed by the internationalist perspective of Rosa Luxemberg, and his understanding of the current situation in Europe draws heavily on her tendency "to view revolution as a worldwide phenomenon spread over a historical period, thus involving advances and retreats, victories and defeats," as he puts it. This ability to take "the longer view" is vital to sustain the struggle for socialism through its inevitable reversals.

The final article is Carlos Vilas's analysis of the prospects for socialism in the Third World. After ten years in revolutionary Nicaragua, he has an informed perspective on the central importance of the peripheries in the capitalist world system, and on the devastating failures of capitalism at its margins. From this standpoint he concludes that "the choice for these countries is not socialist development or capitalist development. It is socialist independence or capitalist peripheralization. Socialism is then the only possible alternative for Third World countries that are looking, not just for economic development, but for real and effective democracy as well." On this note, the issue ends.

It is the right note on which to end. The decades of capitalist hegemony are surely numbered by its own contradictions, its profligate disregard for the future of the planet, its contemptuous indifference to the needs of the poverty stricken millions outside Europe, the fringes of Asia, and North America. If socialism has been extinguished in Europe for now, the

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bounds of world development are differently drawn, to be sure. But all that we have worked for, all that is progressive in human society has not yet been chained in the capitalist keep, and it is blindly Eurocentric to imagine that it has. Latin America is not lost by any means, southern Africa is undergoing a progressive transition, and the Philippines are in the throes of an ever-growing insurrection. Even as capital celebrates its "history-ending" victory, it cannot keep from looking back nervously over its shoulder at the darker-skinned people of the world, who are on the march.

Bobbye S. Ortiz
(1918—1990)

As we go to press we have received the sad news that our long-time associate Bobbye Ortiz has died of cancer. It has been our privilege to work with, learn from, and be inspired by Bobbye for over thirty years. We, her friends and comrades at Monthly Review, embrace her memory with commitment to her principles and her selfless work to achieve them. Details will be announced for a memorial service in the fall.

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PREFACE FOR A NEW EDITION OF *POST-REVOLUTIONARY SOCIETY*

by PAUL M. SWEEZY

I welcome the decision to bring out a new edition of *Post-Revolutionary Society*. Events that have occurred since its original publication in 1980—the accession to power of Mikhail Gorbachev in the Soviet Union, his launching of far-reaching reforms under the banner of *perestroika* and *glasnost*, the winding down of the Cold War in Europe, and the collapse of the Communist-Party-controlled regimes in Eastern Europe—have focused attention on the subject matter of the book in an entirely unprecedented way. Conventional wisdom in the capitalist world before 1985 held that the societies involved in these events—together with others produced by twentieth-century revolutions—were unchangeable totalitarian monoliths, and no amount of argumentation, however well reasoned or supported by historical evidence, could shake this belief. After 1985, however, the reality of change, far-reaching and internally generated, could no longer be denied. Under the altered circumstances, the question of the nature of these societies has taken on a new interest and a new urgency. This, I hope, will be considered a good and sufficient reason for republishing material that first appeared ten years ago.

Among the questions of greatest concern to people on the left after what has happened during the last few years are whether the crisis in the Soviet Union and collapse of the

This preface was written for a new Japanese edition of *Post-Revolutionary Society*, to be published this year by Shakaihyoron-sha.

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regimes in the Soviet-bloc countries of Eastern Europe means that socialism in practice has failed and, if so, what conclusions are to be drawn. While these questions obviously could not have been posed ten years ago, definite answers are nevertheless implied in the positions taken in the book. I think the best use I can make of this new preface is to spell them out as clearly and concisely as possible.

A fairly common view on the left holds that the answer to these questions is simple: the Soviet society that emerged from the October Revolution and all those that later followed in its footsteps, according to this view, had nothing to do with socialism (the reasons given are varied and need not concern us here), from which it follows that socialism has never been tried in practice and hence cannot have failed. The opposite view, also widely held on the left and almost unanimously on the right, is that the societies in question were socialist, as they claimed to be, and hence that their failure is indeed the failure of socialism.

My position is that neither of these views can be squared with the history of the more than 70 years that have elapsed since the Russian Revolution of 1917. The problem is much more complicated than they make it out to be.

I have no doubt whatever that the Russian Revolution and the ones that followed—with a few obvious exceptions like the Iranian revolution—were genuine socialist revolutions with deep roots in an international movement that traces its origin back to the first half of the nineteenth century. The parties and their leaders who headed the revolutionary struggles were for the most part seasoned Marxists whose mission in life was to overthrow an unjust and exploitative system and to replace it with one based on the principles of socialism as expounded by Marx and Engels and their followers in the late nineteenth and early twentieth centuries. Under these circumstances the revolutionary regimes that came to power were clearly socialist in character, and any attempt to deny or obscure this well established fact is a falsification of history.

After the revolutionary seizure of power comes the struggle to shape the post-revolutionary society, and it is with this

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that the present work is almost exclusively concerned. My central thesis, reduced to its barest essentials, is as follows: All the socialist revolutions of the twentieth century took place under extremely unfavorable conditions and against the fierce resistance of the leaders of the capitalist world from which they had broken away. The new revolutionary regimes were able to overthrow and expropriate the old rulers, and to this extent they succeeded in laying the foundation for a socialist society. But the life-and-death struggle to develop and protect the embryonic new society gave rise—whether inevitably or not remains a matter for debate—to a military-style cleavage between the leaders and the people which in time, and against the will and intentions of the original revolutionaries, hardened into a new self-reproducing system of antagonistic classes. This was obviously not a restoration of capitalism: that would have been the result of a victory of the counter-revolution, not of a development clearly internal to the revolutionary regime itself.

In the Soviet Union this process lasted roughly for a decade and a half, coming to a climax with Stalin's purges of the mid-30s that wiped out what was left of the old Bolshevik Party. The character of the post-revolutionary society was now established—neither capitalist nor socialist, an authoritarian class society with state ownership of the main means of production and central planning. It has no generally agreed-upon name, and in this book is referred to simply as post-revolutionary society. A more convenient label might be "Soviet-type society" since on the whole the other twentieth-century revolutionary societies have conformed more or less closely to the Soviet model.

This new society gained legitimacy and prestige through the role played by the Soviet Union in the defeat of the Axis powers in the Second World War. And the system of central planning that enabled the Soviet Union to industrialize so rapidly in the late 20s and 30s proved equally effective for the postwar tasks of reconstruction and building up a nuclear-weapons and ballistic-missile capability sufficient to maintain a rough balance of power with that of the United States and its capitalist allies.

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By the late 60s and 70s when most of this book was written, the Soviet model had attained a large measure of legitimacy and stability, and its continuation into the indefinite future seemed assured. But by 1979, the date of the last chapter, it was already clear that the surface calm was seriously misleading. I quote from the last paragraph:

> [T]he performance of the Soviet economy, even in purely quantitative terms, has for some time now been lagging behind its leaders' ambitions and the potential of its human productive resources. . . . It would perhaps be too much to say that post-revolutionary society, as represented by its oldest and most advanced exemplar, has reached a dead end. But at least one can say that it seems to have entered a period of stagnation, different from the stagflation of the advanced capitalist world but showing no more visible signs of a way out.

Now, with the benefit of hindsight based on the flood of new information coming from the Soviet Union under Gorbachev, we know that things were much worse than they appeared in 1979. The system was not only at a dead end but had already entered a period of decline which was reversible, if at all, only by radical reforms reaching deep into its foundations.

These developments, I think it is fair to say, are entirely compatible with, and indeed foreshadowed by, the analysis of post-revolutionary society set forth in this book. This being the case, it seems to me logical and useful to include in this new edition an essay on recent developments in the Soviet Union, written jointly with my colleague Harry Magdoff and published in the March and April 1990 issues of *Monthly Review* of which he and I are co-editors. Entitled "*Perestroika* and the Future of Socialism," it aims to throw light on the question as to why the social system that enabled the Soviet Union to emerge victorious from the Second World War, reconstruct after the terrible losses of that conflict, and attain the status of a superpower was nevertheless unable to respond to the very different challenge of meeting the reasonable needs of the people under peacetime conditions.

The conclusion that emerges from this analysis is that the crisis of the Soviet Union and the collapse of its East European

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allies was not due to the failure of socialism. The struggle for socialism in the Soviet Union as recounted above, was lost long before with the consolidation of a class system, and it was this system which, despite its undoubted achievements, ultimately failed.

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THE FUTURE OF SOCIALISM

by SAMIR AMIN

It is surely time to raise the issue of the future of socialism once again. Since the beginning of the 1980s, the ideological offensive of the ultra-liberal right has forced the predominantly social-democratic elements of the Western left to fall broadly into line. In the Third World, autonomous development has been systematically undermined in favor of the demands of world capitalism. Last but not least, the sudden collapse of East European regimes may pave the way for integration of these countries into the capitalist world system. Triumphant liberal ideology proclaims the definitive failure of socialism.

For those who believe, as I do, that socialism offers a system of values never fully achieved, and not a constructed model on display in any particular place, the issue is infinitely more complex. Quite frankly, today's real danger is that the illusions of the peoples of the West, East, and South can only mean that the inevitable failure of today's triumphant liberalism may be disastrous for the popular classes, once they are ideologically and politically disarmed. More than ever, I would argue that the choice lies between socialism or barbarism.

Samir Amin is currently the director of the Africa Office, Third World Forum, Dakar, Senegal. He is the author of numerous books, including *Accumulation on a World Scale*, *Unequal Development*, *Neo-Colonialism in West Africa*, *The Future of Maoism*, and, most recently, *Eurocentrism*, all published by Monthly Review Press. This article was translated from the French by Michael Wolfers.

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I

It might be helpful to begin this analysis with a critique of the three fundamental bases of the fashionable liberal thesis.

First liberal axiom: The "market" represents economic rationality per se, outside any specific social context. (In its extreme version: Without the market, only chaos.)

This erroneous postulate expresses the economistic alienation essential for capitalist "legitimacy." Nothing more. The market does not in fact rationalize social relations. On the contrary, the framework of social relations determines how the market will operate. From an alienated, economistic standpoint, economic laws are analogous to laws of nature and exert external forces on every human action, and the economy is the product of determinate social behavior.[1] There is no economic rationality *per se*, but merely the expression of the demands of a social system at the level of economic management.

But no such social system is rational from a humanist point of view if it fails to meet the needs of the human beings subject to it. Unemployment, polarization in world development, and ecological waste are manifestations of the irrationality of this system which I call *really existing capitalism*. These negative phenomena are, purely and simply, necessary products of the market. The rationality of the market reproduces the irrationalities of the social system.

Second liberal axiom: Democracy equals capitalism. (Put more emphatically: Without capitalism, no democracy.)

This is mere trickery. Contemporary trends of opinion, broadly typified by Anglo-American evolutionism, impoverish the debate by treating democracy as a set of narrowly-defined rights and practices, independent of the desired social result. This democracy can then stabilize the society by leaving the "evolution" to "objective forces." The latter are in the last resort governed by science and technology,[2] operating independently of the human will. Hence the functional role of the revolutionary process in history can be played down.

Socialist thought lies poles apart from this line of argu-

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ment. The analysis of economic alienation provided by Marx, central to any scientific and realistic understanding of capitalist reproduction, rehabilitates the crucial function of revolutions, moments of qualitative transformation and crystallization of potentialities inconceivable without them. In each of the three great revolutions of the modern world (the French, the Russian, and the Chinese), the play of ideas and social forces at moments of radicalization succeeded in moving far beyond the requirements of historical, objectively necessary social transformation. Jacobin democracy did more than merely establish bourgeois power. Although the democracy operated in a framework of private ownership, its anxiety to establish power genuinely at the service of the people clashed with merely bourgeois needs. At this stage of social development the bourgeoisie looked for little more than a qualified democracy such as occurred elsewhere in the nineteenth century. They were furthermore willing to compromise with the monarchy and the aristocracy. The aspirations of the "people"—the crowd of peasants and artisans—went further. The people wanted something more than "free trade," to such an extent that during the Convention, they launched the astonishingly modern slogan, "Liberalism is the enemy of democracy!" This was a foretaste of a socialist consciousness yet to come. In the same way, the USSR in the 1920s and China in the Maoist period expressed a communist vision well beyond the requirements of the national and popular reform on the agenda. Certainly these moments of radicalization are fragile. In the end, narrower concepts more consonant with "objective" needs win the day. But it would be quite wrong to underestimate their significance as an indication of the way the movement is bound to continue.

Bourgeois democracy is the product of the revolution that dethroned "tributary metaphysics."[3] It establishes "equal rights" and personal liberties, but not equality, except under the law. As late as the latter half of the nineteenth century, the labor movement could impose unqualified political democracy and seize social rights, but only in the framework of a compromise based on acceptance of capitalist management of the economy, itself made possible by world polarization to the benefit of the

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industrial centers. Western democracy is thereby restricted to the political domain, while economic management continues to be based on non-democratic principles of private ownership and competition. The capitalist mode of production does not of itself *require* democracy, but its characteristic oppression is *in fact hidden*, in economic alienation. By contrast, the socialist project of a classless society, free of economic alienation, *implies* a democratic structure. Once capitalist reliance on competition is broken, social relations based on cooperation among workers, and not on their subjection, are inconceivable without a full flowering of democracy.

If what are known as the Third World countries have almost never seen their political systems in a genuinely democratic form, this is not a hangover from their "traditional culture."[4] What I call *really existing capitalism*, that is, *capitalism as a world system and not as a mode of production*, taken at its highest level of abstraction, has until now always generated polarization on a world scale. Unfortunately, this dimension has always been underestimated in socialist thought, including Marxism. International polarization inherent in this expansion brings in turn a manifold internal polarization: growing inequality in income, widespread unemployment, and marginalization. Seeing the world system as the only ultimately meaningful unit of analysis is crucial to understanding what is at stake in the struggles, namely that the essential reserve army of capitalism is to be found at the peripheries of the system.

Hence instability is the rule in the political life of the peripheries. The political norm of the vicious dictatorship (whether military or not), broadly amenable to the expansion of world capital, is occasionally shaken by explosions, which rarely lead to real political democracy. The most common response is the "populist" model. Such regimes genuinely address at least some aspects of the social problem and try to develop strategies to reduce the tragic consequences of peripheralization, but they do not break with capitalism.

Between the right-wing dictatorships and the popular movements, there is a middle ground onto which "petty democracy" can sometimes sneak. Such regimes recognize the

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principle of multi-party elections, and grant a measure of free speech, but fall short of addressing fundamental social problems and/or challenging relations of dependence and subjection to the world system. These "democracies" are little more than expressions of the crisis of the despotic system of capitalism. Latin America, Korea, and the Philippines provide examples of contradictions unresolved by such regimes. Democracy imposed in such circumstances faces a striking dilemma. Either the democratic political system surrenders to the demands of world "adjustment"—it cannot then consider any substantial social reforms, and the democracy soon reaches crisis (as in Argentina); or the popular forces take charge of the democracy and impose the reforms. But the political system then comes quickly into conflict with world capitalism and must shift from its national bourgeois project to a national and popular project.

The areas of the periphery most affected by capitalist expansion are in a more desperate plight. The historical record of capitalist expansion must own up to much more than the "development" it has engendered. Actually existing capitalism has a destructive side that is invariably omitted from its flattering self-portraits. Here the usual pattern of power is the Tontons Macoutes in Haiti, the Somozas of Nicaragua, and a disturbing number of dictatorships of the same stamp in contemporary Africa.

Third liberal axiom: A wide-open door to the world system is the *sine qua non* of any development. (Put more emphatically: Free trade, or no development.)

The underlying hypothesis is that "development" depends essentially on *internal* circumstances peculiar to each society, with integration into the world economy a *positive factor if only one knows how to use the opportunities it provides*. This thesis is not only contradicted by the history of five centuries of capitalist expansion—incessant polarization reproduced and intensified up until the present and for the forseeable future—but is also scientifically unsound. The "world market" in question is truncated, and restricted to goods and capital; despite international migrations there has never been any suggestion of a

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"world labor market," and no prospect of one. Liberal economic theory demonstrates that mobility of a single factor of production (capital) while two other factors (labor and natural resources) are imprisoned by natural and political geography cannot lead to uniform world productivity and social conditions.

In such circumstances, the worldwide law of value can only produce and reproduce polarization. In this sense integration into the world system is by its nature unfavorable and becomes increasingly so. I have argued this thesis on intuitive evidence: a few decades were enough to allow nineteenth-century Germany to "catch up" to England. How long would Brazil need to "catch up" to the United States?

Undoubtedly the forms and content of the polarization have evolved over time.[5] From the industrial revolution to the Second World War it was a distinction between industrialized and non-industrialized countries. Accelerated industrialization of some areas of the Third World does not, in my view, raise a question mark over polarization as such, but merely over its forms. The mechanisms of the new polarization are founded on various forms of domination: financial (new forms of worldwide finance capital); technological (in relationship to the new scientific and technological revolution); cultural (with the growing influence of the media); and military. In this context the "newly industrializing countries" (the NICs) are not semi-peripheries on the way to becoming new centers, but the true peripheries of tomorrow.

By contrast, the countries of the so-called "Fourth World" are not true peripheries, but are like the areas destroyed by capitalist expansion in its earlier forms. The perilous condition of the Fourth World is not the outcome of a "refusal" to integrate within the international division of labor and a "failed" attempt to delink. In fact, the Fourth World, which is talked of as something new, has been a consistent feature of capitalist expansion. A clear but lamentable example of this pervasive phenomenon is provided by the areas of slave labor in the Americas in the period of mercantilism: Northeast Brazil and the West Indies (including Haiti). These areas were regarded as prosperous in their day; and they were the heart of

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the periphery corresponding to the system of the time. Later, new structures of capitalist development marginalized them, and they are today among the most grievously wretched parts of the Third World. Is Africa not now on the road to exclusion from the world division of labor by a system that has consigned the continent to specialization in agriculture and mining until the soils are exhausted, and by a technological revolution that provides substitutes for some of its still-plentiful raw materials? Fourth-World societies that have been rejected by the system cannot, by definition, solve their problems through open-door policies.

From the standpoint of the various peoples of the earth, unification of the entire world system under the sway of the market is undesirable. It is not even the most likely outcome of the evolution now under way, so bitter are the conflicts provoked by the market in a world of "Darwinism." The ideological discourse of the West, which has chosen this strategy, aims to conceal the bitterness of these conflicts.

II

The values of socialism have scientific justification, not merely moral justification, in rejecting the three liberal theses—that economic rationality requires the market, that democracy requires capitalism, and that development requires free trade. All currents of socialist thought are primed to go beyond the philosophy of the Enlightenment, which sought to establish a "rational" basis that would serve society for all time. Socialism comes from an analysis of the historical limits of the "rationality" in question, namely its capitalist form. Socialism therefore offers the project of a qualitatively more advanced society, aiming at a more complete mastery over human destiny. Here again, the Marxist theory of alienation returns to center stage: the scientific and social project of socialism is to liberate humanity from alienation in its bourgeois economic form. The project cannot be defined more precisely in advance. Although it would be possible to be precise about what must be abolished (such as private ownership of the means of production), it would not be possible—in the absence of concrete

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social praxis—to delineate new methods of socialist management in advance. Any attempt to do so would militate against the liberation project itself, whereby the responsibility for shaping their destiny can lie only with the succeeding generations that will make their own history.

We are still faced with the fact that the so-called socialist societies of the East have abolished private ownership and established self-styled socialist systems of economic and political management. *These systems, particularly those in Europe, are collapsing.* Must we conclude that the socialist project itself is hopelessly utopian?

If we want to provoke a fruitful debate on these experiences, we must turn to the character of the so-called socialist revolutions in the East and the historical limits of the capitalism from which they emerged. Two approaches are possible. One can focus on what defines capitalism at its highest level of abstraction—namely the contradiction between capital and labor—and defines the historical limits of capitalist society by the boundaries imposed by its characteristic economism. This viewpoint inevitably leads to a "stageist" vision of the evolution of society: the backward (peripheral) capitalist societies must "catch up" with the advanced societies before they are in turn faced with the challenges of a possible (or perhaps necessary) supersession of the limits of those advanced societies. Or one may place more emphasis in the analysis on what really existing capitalism, which in its actual worldwide expansion has given rise to a centers/peripheries polarization impossible to overcome within the framework of capitalism itself. Nearly all currents of socialist thought have underestimated this dimension of capitalism, as I have said.

A challenge to the capitalist order on the basis of revolts on its periphery requires a serious rethinking of the issue of the "transition to socialism" and the abolition of classes. The Marxist tradition, however subtly interpreted, is handicapped by an initial theoretical vision of *worker* revolutions, on the basis of advanced forces of production, initiating a fairly speedy transition, marked by democratic power for the mass of the people—a power that is more democratic in principle than that

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of the most democratic of the bourgeois states. By contrast, I would suggest that the profoundly unequal character inherent in capitalist expansion has brought onto history's agenda a revolution by peoples of the periphery. This revolution is anti-capitalist, in the sense that it stands up against really existing capitalist development that has become unbearable. But for all that, it is not socialist, even though it rises up against capital in its cruelest manifestation. It has by force of circumstance a complex character.

These post-capitalist societies are now faced with the demand for substantial development of the forces of production. It is illusory to imagine basing an "alternative development" on poverty, even if one rejects the consumer lifestyle of capitalism in its advanced centers and takes into account its real waste and inhumanity.

A recognition of this does not mean accepting the thesis that an initial passage through a phase of capitalist accumulation is inevitable. Such a "bourgeois revolution" is a most unlikely outcome of a mass movement that is led by political parties with an openly anti-capitalist ideology and view of the future. A capitalist expansion fostered by the local bourgeoisie but open to the world system will here be challenged by the mass of the people, for whom it could only be a form of oppression.

This specific and new contradiction, not envisaged in Marx's classic concept of the socialist transition, gives the post-capitalist regimes their real quality, of a national and popular construct in which there is a conflictual mix of aspirations and achievements of a socialist kind and aspirations of a capitalist kind called for by the need to develop the forces of production.

This contradiction, inherent in the long transition imposed by the unequal development of capitalism, can be defined by three fundamental elements, the inverse counterparts of the three liberal axioms criticized in Part I of this essay: bureaucratic planning (rationality without the market); anti-democratic political monopoly of a ruling party-state (no democracy to go with no capitalism); and total delinking from the capitalist world system, almost to the point of autarky

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(development with a closed door). This last has been more an imposition by the West than a desire on the part of the East.

It is certainly significant that this so-called socialist construct has worked through a non-democratic political system and bureaucratic planning. The complex explanation includes social and cultural-historical determinants and the limits of the ideologies of the countries' revolutionary intelligentsia—Leninism and Maoism. I believe that national and popular hegemony could operate differently from the way they have operated in the past, that there is room for political democracy and market forces. These, after all, cannot in socialist societies any more than in capitalist societies operate outside the boundaries of the social base on which they rest. Indeed, I would go further and say that for this national and popular hegemony to progress it must move in these directions.

In these circumstances, the magnitude of the crisis of the societies of the East should come as no surprise to us, even if like everyone else we have been astounded by the suddenness with which it has manifested itself. These societies now face a triad of options that I briefly summarize under three now-familiar headings:

(i) Evolution toward a bourgeois democracy, *or* progress beyond it, by strengthening the social power of the workers in the management of the economy.

(ii) Restoration of an out-and-out "market economy," *or* progress through carefully-controlled resort to market forces guided by democratic planning.

(iii) An unguarded door open wide to the exterior, *or* guarded relations with the surrounding world, albeit directed toward increased trade.

The confused theoretical debates and political disputes that are sending shudders down spines in the East arise in part because the ideological label "socialist" has imparted confusion as to the status of the genuinely national and popular character of the revolutions that established some of the regimes in question. But more pertinent is the fact that the conflictual forces of capitalism and socialism are meeting within genuine national struggles. The forces anxious to restore

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capitalism propose unilateral acceptance of the market as a springboard for the restoration of private ownership, and of an "open door," with or without democracy in the Western sense, according to the tactical requirements of their project. If the socialist forces dither in their resistance to this project, if they find it difficult to articulate a coherent alternative along the lines sketched above, it is because the lack of democratic debate and the ideological confusion over the status of the present governments have proved to be major impediments to action. Need I add that the Western ideological offensive, orchestrated through powerful media, is massing entirely on the side of the pro-capitalist (and anti-democratic) forces?

A political response to the three options posed above would lead to intensive internal class struggle, already (silently) under way. A significant minority in the East—perhaps 20 percent—might benefit from the restoration of capitalism. But in light of the inadequate levels of development and international competitiveness achieved by the socialist countries, this minority could never attain the Western standard of living that fuels their aspirations *without grinding down the mass of the people.*

In this struggle, the peoples of the various countries of the East start with unequal weapons. Intuitively, one can grasp why peoples who have by force of arms made their own socialist, nationalist, and popular revolutions (the USSR, China, Yugoslavia, etc.) have an ideological weapon that may enable them to put a progressive complexion on their struggles. By contrast, those of the East European countries with no comparable historical achievement run the risk of being bewitched by the attraction of annexing themselves to Western Europe.

In the current crisis, assertions such as "recourse to the market" and "an open door to the exterior" remain ambiguous because they unite those who seek a launching-pad to capitalism and those who seek a progressive social approach to the political and economic management of their society, and thus a genuine social advance. It is interesting to note that social surveys in the USSR show that the privileged classes prefer the

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"pluralist democracy and a market open to the exterior" formula whereas the popular classes remain attached to the achievements of socialism (full employment, social services, national independence, and public ownership). The latter favor "planning" along with democratization of the political system. Gorbachev apparently straddles these antinomian currents, allied only in their opposition to the "conservatives," who have always hoped for a standstill. One notes similar cleavages in Yugoslavia.

In China, Deng Xiaoping has opted for an open door to both internal and external capitalism, an option it should be remembered, that is supported eagerly by the West.* The democracy movement has (remarkably) recruited forces both from the well-off classes who openly hope to restore capitalism and from the majority (some claiming to be Maoist) who complain that they have been harmed by capitalist developments during the Deng Xaioping era![6] The Western media, by describing repression of the democracy movement as a return to "Maoism" mixed with "Stalinism" have certainly not contributed to clarity. They have played a leading role in supporting the reactionary option of restoring capitalism, even if it must be carried out to the total detriment of democracy.

The situation is quite different in the East European countries that have no revolutionary past. Here the social achievements, although real, *have not been won*, but have been handed down in a paternalist manner by communist parties installed by the Soviet Union. It is quite "obvious" to an expert from the World Bank that the Polish problem is very simple: wages must be cut in half (without regard for the impact of this on productivity) and an unemployment level of 2 or 3 million accepted. The situation, remarkably similar to that of Argentina, is obscured by the illusions of the Polish people, to whom nobody has explained that in the world system they desire to join, their place is closer to that of the NICs of the Third World than to that of the Western societies whose advanced democracy they admire! One must also be wary of a drift from transi-

*The society to which this option logically leads would be South Korea or Taiwan.

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tional democracy to an authoritarian regime (of the Pilsudski sort, based on the Catholic Church) as the only one capable of imposing the "discipline" that capitalism demands. Evolution of this kind is also to be feared in Hungary, for example. It is difficult at this moment to say more, especially about East Germany, where internal struggles are mixed up with the desires of the German people for unification, and with the initiatives that the Bonn government will take.

Generally speaking, one is struck by the incredible political naivete that has grown up among the people of the non-democratic regimes of Eastern Europe. Their attacks on the *nomenklatura*, which are intended as an indictment of "privilege" under actually existing socialism, ignore the fact that the class aspiring to form a bourgeoisie will inevitably be composed of just this *nomenklatura*, that the privileges it has enjoyed are as nothing in comparison with the social inequalities under actually existing capitalism.

The initiative for change in the East has in fact been taken by the ruling class itself. This is constituted on the basis of a "statism" that has been the way of dealing with the capitalism/socialism contradiction within the national and popular construct. It hopes now to be rid of the constraints of the popular classes and to opt four-square for capitalism. The scuttling of the system (to which it lends itself to a degree astonishing to Western commentators) is not really surprising at all: it is the logical terminus of its evolution, and was perfectly foreseen by Mao. This class in attacking its own system repeats all the outworn prejudices of the critique of socialism by bourgeois ideology, but refrains from pointing out that the system it is abandoning has been marvelously effective in making possible its own constitution as a bourgeoisie!

III

The question of the future of socialism is not limited to possible advances or retreats on the part of the countries of the East. One must look also at the countries of the Third and Fourth Worlds—true peripheries, and societies destroyed by capitalist expansion, where development that can meet the

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material needs of all social strata is impossible within the framework of capitalism, and where it becomes necessary to consider alternative development outside capital's bounds. This is the meaning of the expression *delinking*. It is not a recipe, but a fundamental and principled choice: that of divorcing the criteria of rationality in economic life from those that govern world capitalism, freeing oneself from the constraints of world-capitalist value, and substituting a law of value of national popular reference.

If the bourgeoisie are incapable of delinking, and if only a popular alliance must and can be persuaded that this is required for any development worthy of the name, the social dynamism must lead in a direction that we can only describe as socialist. It is understood that the socialism in question remains a prospect for society well in the future, and not a ready-made model that has merely to be copied.

The current changes in the world economy and political and cultural situation cannot alter the polarizing character of really existing capitalism, but can only heighten the contradictions through which it is expressed. The policies of surrender to world unification through the market—described as "adjustment" for the peripheries, although one speaks of "restructuring" when the centers are concerned—do not in any way "neutralize" its effects. Such policies are not therefore acceptable alternatives to national and popular "breaking away," which is necessary now more than ever. The national bourgeoisies of the Third World, who have co-opted national liberation to their own advantage, have already become compradors, under the laws of evolution of the world system. They are therefore incapable of mediating the new worldwide phenomena to the advantage of their own country. The popular classes are still confused and indecisive following the exhaustion of the former national liberation movements. Hence it is difficult to forecast the precise next step in an uninterrupted popular revolution that still threatens upheavals in the peripheries of the global system.[7]

In the short term, the responses of the peoples of the Third World are generally inadequate, as in the past. The revival of

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fundamentalist religious movements here and there is itself a symptom of the crisis, and not an adequate response to its challenge.[8] But insufficient reflection has been given in the West to the significance of the failure of the Islamic fundamentalists in Afghanistan, presented in the media as "freedom fighters" (although they propose to close the schools opened by the "atheists in the pay of Moscow," beginning of course with the girls' schools). They were expected to make an undisputed entry into Kabul on the morrow of the withdrawal of Soviet troops.

There is no reason, of course, to exclude the West from the debate on the prospects for socialism. One must neither discount a labor movement that has made possible the achievements of social democracy nor overlook the democratic victories of the West. But standing still means falling back. Socialist advance in the West requires that the people free themselves from alienation and idolatry as they appear in societies whose major means of communication are all in the hands of the dominant classes. The intense communication campaign that operates within really existing capitalism does nothing to contribute to liberation or democratization. Quite to the contrary. People who are not permanent residents of the West on a day-to-day basis are always struck by the incredible saturation by the dominant media—a veritable carpet bombing of the public consciousness. From one country to another, from liberals and conservatives to socialists, an ideological consensus forces near-unanimity on many of the central issues. The pluralism that is so vaunted as synonymous with democracy is stripped of all real content, and minor, provincial differences among competitors of the political class are blown up to bizarre proportions. At a time when "the end of ideology" is being proclaimed again, the West has never before been as subject to so exclusively ideological a discourse.

In a reference elsewhere to the remarkable breakthroughs in social consciousness that are exemplified by the women's movement, I did feel it necessary to express reservations in the real *extent* of these breakthroughs. They can be *absorbed* by a system that remains basically capitalist and imperialist in its

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relations with the periphery, or, to the contrary, be nodes of positive change.

The intra-Western contradictions since 1945 have never gone beyond the limits of mercantile competition. The Japanese and the Europeans have never dared to take a stand that might really displease the United States. Will this necessarily be the case in the future? The question remains open. According to some views, these conflicts must worsen, and lead in the end to a breakup of the world market into spheres of influence around the dominant axes (the United States, Europe, and Japan). The strengthening of detente in East-West relations should enhance this possibility, as the American military umbrella becomes meaningless. But one must be doubtful about the eventual consistency of a common neo-imperialist policy for Europe, which is cornered between competition from the industrialized peripheries (the NICs) that are better placed relative to traditional industries, and from Japan and the United States, both of which may be better equipped in the fields of new technology. In this context could Europe possibly come to the fore? Furthermore, renewed German expansionism will weaken Bonn's solidarity with its EEC partners and further complicate intra-Western relations. In any event, one might ask whether the pursuit of the European construct, the EEC's single market by 1992, could withstand the absence of any common social policy. I doubt it. It seems to me that the social conflicts could become very severe.[9]

In fact the most likely scenario seems to be the following. Either Europe presses on with the common capitalist market, with or without the East; or the more progressive forces in the West understand that an alternative Europe (that of the "Common European Home" envisioned by Gorbachev) would imply a greater social autonomy of all partners—Westerners, Germans, and Easterners.

The future of socialism in Western Europe will therefore depend heavily on the evolution of intra-European relations. Undoubtedly, the ideological polarization that emerged from the socialist revolutions since 1917 would vanish if capitalism were to be restored to the countries in question. A change of this

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kind, unhappily desired by a high proportion of the anti-Communist West, would have the consequence of a lasting retreat for Western socialist aspirations. It would redound not to the benefit of social democracy, of course, but to that of the right. In the event of greater national and popular evolution in the Eastern countries, everything would depend on the resonance of this for the peoples of the West. The change might leave things as they have been—cold war attitudes—if the workers of the West continue to think that with their higher living standards they have nothing to learn from their counterparts in the East. But it could also provoke a revival of socialist consciousness among workers in the West. This would be the most favorable outcome for the cause of socialism, and it seems to me to be the implication of Gorbachev's "Common Home."[10]

But the crucial axis for the future of socialism in the West is that of North-South relations. I am not saying anything new here, my main argument being based on the decisive part in history that is played by the polarization inherent in world capitalism. The bitterness of the East-West conflict had for a while obscured the more fundamental conflict arising from this polarization, just as the inter-imperialist conflict was in the forefront just before 1914. The lessening of intra-Western and East-West contradictions is accompanied by a renewal of hostility towards the peoples who are the prime victims of capitalism—those of Asia, Africa, and Latin America. There are many signs today of this regressive evolution: the recrudescence of racism and colonial arrogance, even in the detail of the "realignment" of NATO bases, whose guns are henceforth to be trained on the southern shore of the Mediterranean.[11]

IV

The contours of a new globalization of capital remain quite vague. The configuration that materializes will follow from conflicts that will inevitably occur despite the liberalism common to the nations of the capitalist center. Hence the future remains open to various possibilities and there is no justification for abandoning the thought and struggle to promote a better world project. This is no plea for "voluntarism," since

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the political options that delimit the possible futures are historically objective. Exploring these options calls for examining alternatives along three axes of evolution: (1) the centers/peripheries contradiction, governed by the logic of world capitalism; (2) West-East relations; and (3) intra-Western competition. I have attempted to do so briefly, from the starting point of unilateral unification by the market that constitutes the essence of the Western project.

More than ever, the forces of the left have a duty to promote a credible alternative to this disastrous option. I shall not dwell here on the possible features of this alternative, some aspects of which I have discussed elsewhere.[12]

First: The only strategy that is meaningful for the progressive forces on a world scale, on the basis of which the peoples of the West, East, and South could together draw new breath, must envision a "polycentric" world. The various component areas must be articulated in a flexible way, allowing the implementation of specific measures required by their varying levels of development and by other objective circumstances. It must be acknowledged at the outset that the problems that the peoples of the world must solve differ from one area to another. It is therefore essential that the world system permit peoples the autonomy to promote their own interests. There must be balance between general interdependence and this legitimate concern for autonomy. The logic of mutual and reciprocal adjustment must be substituted for unilateral "adjustment" by the weakest and expansion for the exclusive benefit of the strongest.

Second: polycentrism means that the countries of the East and South pursue development policies that are delinked in the sense I have given to this word. This strategy looks to advances toward socialism (democratization and strengthening national and popular trends) and not to a "restoration of capitalism" in the countries of the East, and to a refusal by the countries of the South to become compradors. It must likewise allow progressive advances in the countries of the West, through the opening of non-market social spaces and through other reforms based on socialization of economic management.

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Third: with particular reference to the Third World, this strategy favors progress in the organization of the productive forces even to the detriment of "international competitiveness." It puts at the top of the agenda an agricultural revolution marked by the maximum of equality, and transformation of the informal sector into a popularly managed transitional economy. It calls for an effective combination of planning and market forces as the foundation for economic and social democracy. The vision of polycentrism it inspires gives the countries and regions of the Third World a measure of autonomy that is denied them under world unification by the market.

Fourth: as regards international cooperation for interdependence, the strategy aims to encourage embryos of a democratic world government and, for example, a world tax to be spent on environmental measures. It also aims to reduce the arms race, notably by the superpowers. It aims finally to breathe new life into the democratic institutionalization of world management through the United Nations.

Let me say in conclusion that the construction of a polycentric world with new prospects for socialism implies acute awareness of the cultural universalism of humanity's project. On this point I have put forward elsewhere a critique of the Eurocentrism and cultural nationalism that form the obverse image.[13]

NOTES

1. See Samir Amin, *Eurocentrism* (New York: Monthly Review Press, 1989); Samir Amin, *Unequal Development* (New York: Monthly Review Press, 1976), Chapter 2; Karl Polanyi, *La liberta in na societa complessa* (Turin: Boringheri, 1987); and the works of the Frankfurt School.
2. Science and technology is a major topic in the work of the Frankfurt school.
3. *Eurocentrism*, pp. 15–59.
4. See Samir Amin, "La question démocratique dans le tiers monde contemporaine," *African Development*, 1989. See in particular our critique of neo-Weberian theses: Richard Sandbrook with Judith Baker, *The Politics of Africa's Economic Stagnation* (Cambridge: Cambridge University Press, 1985). See also Giovanni Arrighi's theses on the world distribution of active and passive labor armies and my contribution, "The end of national liberation?" in Samir Amin, Giovanni Arrighi, Andre Gunder Frank, and Immanuel Wallerstein, *Transforming the Revolution* (New York: Monthly Review Press, 1990).

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5. See Samir Amin, "Réflexions sur le système international" (forthcoming in a collective work edited by Peter Golding). See also Samir Amin, *Delinking: Towards a Polycentric World* (London: Zed Books, forthcoming).
6. Samir Amin, *The Future of Maoism* (New York: Monthly Review Press, 1983).
7. See *Delinking*, Chapters 1 and 4; Samir Amin, *Maldevelopment: Anatomy of a Global Failure* (London: Zed Books and The Third World Forum, forthcoming), Chapter 6; and our contribution to *Transforming the Revolution*.
8. My writings on these movements are mainly in Arabic, but see "Existe-t-il une économie politique islamique?" *Peuples Méditerranéens* 21, 1982, and *Eurocentrism*, pp. 124–135.
9. Samir Amin, "In favor of a polycentric world," *IFDA Dossier 69*, 1989,
10. Samir Amin, "La maison commune Europe," *IFDA Dossier 73*, 1989.
11. Observation by Alberto Santos of the CEDETIM study group, Paris. See Samir Amin, "Conditions for autonomy in the Mediterranean region," in Faysal Yachir, *The Mediterranean: Between Autonomy and Dependency* (London: Zed Books and Tokyo: The United Nations University, 1989), pp. 1–24, esp. p. 11.
12. Samir Amin, "Une autre configuration des relations internationales Ouest-Est-Sud: est-elle souhaitable, probable, possible?" Forum de Delphes (Paris: Harmattan, 1989); "L'Europe et les rapports Nord-Sud," *L'évènement européen 7*, 1989.
13. *Eurocentrism*, pp. 124–152.

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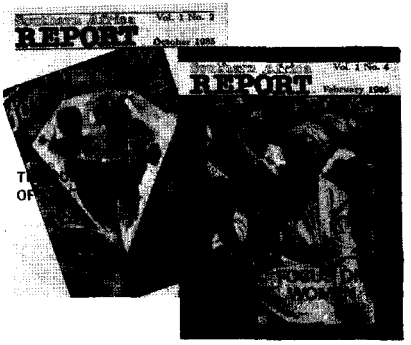

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LETTER FROM THE GERMAN DEMOCRATIC REPUBLIC

by PETER MARCUSE

Wende is the term used in East Germany to describe what has happened here in the last months. The literal translation is "turn" or "change," and it can mean a bend in the road as well as a complete turn-around. Just what it was that changed, how big the change was, whether there were not indeed more changes then than one—one newspaper headlined its summary of the second 100 days since the fall of Honecker as "the *Wende* in the *Wende*"—and why the change came about, are still hotly debated questions here. The events are relatively clear; the interpretation not so.

The Events

The *Wende* began as both economic and political protest: the primarily economic as escape from a stagnating system across the newly opened borders from Hungary, and the primarily political with small protest groups and then mass demonstrations on the streets of Leipzig and other cities in the summer and early fall of 1989. In the second phase, after the opening of the borders between East and West Germany in November, the direction became uncertain, as the appeals of nationalism and the economic prosperity of the West made themselves felt. In the new parliamentarianism on which

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almost all agreed in the third phase at the end of the year, the original hopes of the revolution were smothered under a blanket of West German manipulation. Now, in the fourth phase after the elections, the short-range question is only what the terms of annexation by West Germany will be. The longer-term question, however, remains. Was the 40-year experience of the German Democratic Republic (GDR), after the conservative victory in the election in March, only a "footnote in history," in Stefan Heym's phrase, or are there consequences of its existence that will survive, possibilities opened, lessons contributed of permanent importance?

The four phases of the *Wende* in East Germany can be readily demarcated. The first phase, the democratic breakthrough, was made possible by the Hungarian decision to open its borders to GDR citizens wanting to leave for the West. The exodus across the border was seen everywhere as a hemorrhage, a symptom of the state of affairs in the country. Small opposition groups: Neues Forum, the Initiative for Human Rights and Peace, Democracy Now, Democratic Opening, already or newly formed, struggled for legality, their members hounded, activities suppressed. The critical moment came on the weekend of October 7, 1989, the fortieth anniversary celebration of the founding of the GDR, when Mikhail Gorbachev, in his visit, asked to comment on the absence of *perestroika* or *glasnost* in the country, said "History will punish those who come too late." The repression of the demonstrations in Berlin that weekend was the toughest in 35 years, but also the last reflex response of an antiquated regime entering rigor mortis. The decision not to repress the large street demonstration in Leipzig on October 9 was the first major success of the young opposition movement, primarily outside the party, primarily intellectuals, artists, and professionals. It became the voice of a generalized discontent, and an eloquent voice. The chants, "We are the people" and "We are staying here" (to react to the exodus across the borders via Hungary) got international attention, and became the slogans for the thereafter-regular Monday night marches through the streets of Leipzig.

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From October 9 to November 9, when the Berlin Wall was opened, was a period of mass euphoria in the country. If "revolutionary" describes, among other things, a state of mind, a mass psychology in which people of all kinds become involved in events outside their own day-to-day existence, in which social questions become immediate and personal, in which awareness is heightened, energies liberated, creativity emerges from nowhere and is apparent everywhere, then the month between October 9 and November 9 was a revolutionary month. The high point was perhaps the November 4 rally in Berlin, sponsored by the associations of artists and writers, nationally televised in full, live, with speeches, banners, songs, poems, all unthinkable in the public arena a month earlier. People everywhere seemed united in the name of national pride and socialist ideals, against the leadership of a bloated, rigid, thoughtless, and increasingly corrupt Party apparatus.

November 9 was the "opening" of the Wall, the granting of permission to travel to every citizen of the GDR. It brought a new kind of euphoria, with free travel back and forth across the borders to West Germany. The idea of national unity took hold, and the wreath, compass, and hammer of the GDR insignia began to disappear from the red, gold, and black of the old German flag on which it had been superimposed. This second phase of the *Wende* was the phase of nationalist revival. The opening of the Wall opened the door to the allure of capitalist consumption and wealth, and the impact was profound.

Just why the Wall was opened may long remain a puzzle; the assessment now is that no one realized what the decision meant, read matter-of-factly at the end of a press conference by the Central Committee of the Party. The reaction to it was clearly unanticipated. Half of East Berlin streamed across to the West in the middle of the night. This was an international press sensation, the irreversible end of serious travel restrictions. The only doubt I have come across that was expressed at the time came from Bárbel Bohley, one of the founders of Neues Forum, who said that when she heard the news, she took a stiff drink, went to bed, and pulled the covers up over her head. Not even the most radical of the opposition, outside or inside the

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ruling Socialist Unity Party (the S.E.D.), had suggested such an abrupt termination of all travel restrictions. Even today, with historical hindsight, there are still many on the left who believe the construction of the Wall in 1961 might have provided the basis for a more solid construction of socialism in the GDR, free of interference from the West, had it been used properly. Of course it was not, but the legitimacy of the concern about external influence in the GDR's internal affairs has been demonstrated since then.

If November 9 was the beginning of a transformation in the nature of the *Wende*, then December 31, when the Brandenburg gate was opened to a giant New Year's Eve celebration, signalled the transition to a third phase, the phase of capitalist seduction, coupled with the massive public involvement of the West German leadership in East German affairs. The nationalism turned ugly. Neo-nazis began to appear at the Leipzig Monday rallies, Neues Forum backed off sponsorship, the word "socialism" dropped out of sight, witchhunts and oppression of former S.E.D. members were widely discussed. That these changes ran parallel with equally militant attacks on the old Stasi, the state internal security service—the formation of "Citizens' Committees" to search Stasi offices, go through Stasi files, take over functions formerly under the control of the Stasi—made matters more complicated. The anti-nationalist progressive opposition groups strongly supported the generally patriotic citizens' committees supporting German unity. The upsurge of aggressively organized private action was taking place at both ends of the political spectrum.

For a period, from the end of December through February, there were serious concerns about anarchy among both old and new political groups. No one any longer contended that the elections in which the existing parliament had been chosen were democratic; the government it chose had questionable legitimacy at best. But neither did the Citizens' Committees that in many places exercised functions normally those of the police, particularly with regard to the state security apparatus. The regular civilian police, widely under attack for their earlier handling of demonstrations and protests, restrained their law

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enforcement activities in general. In the vacuum of legitimacy thus created, a new political institution developed, one which was thereafter utilized in other East European states, the Round Table.

Round Tables were convened first on the local initiative of Neues Forum and other citizens' groups in various cities, and then organized on the national level in December, 1989. They were a coming together of all of the oppositional forces, whether organized as political parties or as citizens' movements, sitting together with representatives of the old parties, chaired by competent and impartial church leaders. Originally views differed on their precise role: some saw them as places where the opposition and the government would discuss/negotiate policy issues; others as super-parliaments. The national Round Table ended as virtually a second legislative body, passing proposals through to the "elected" parliament and effectively commenting on proposals coming from the government on their way to parliament. The Round Tables had elements of corporatism about them: interest groups were represented (although a limited range, and only "public" ones), and decisions were made overwhelmingly by consensus. Not only shortly before the elections in March did classic party politics play a dominant role; indeed, it was the decision to move that election up from May to March, pushed through by the Social Democratic Party (the S.P.D.), that changed the character of the national Round Table and cost it much of its legitimacy as a consensus-establishing forum. But by that time the government had invited the separate parties and movements represented at the Round Table into the government; they had taken positions in it as Ministers without Portfolio. Hans Modrow had gained respect for his avowed effort to head a "government of national responsibility" rather than a party-based one. That government was more and more transitional and care-taking. After the elections the national Round Table dissolved itself. Local Round Tables continued to exist, but almost all were dissolved after the local elections in May.

What happened in and to the S.E.D. seems almost peripheral now, but in the first two phases of the *Wende* it was

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absolutely central. The S.E.D., the Socialist Unity Party, had been formed by a pressured merger of the Communist with the Social Democratic Party in 1946. Through the National Front, in which the Christian Democrats, Liberals, Farmers, and other minor parties and "mass organizations"—of women, youth, trade unions, etc.—were represented, the S.E.D. regulated every sphere of life in the GDR. Hero-worship of its leaders, first Ulbricht and then Erich Honecker, was encouraged. But rumors of disaffection from Honecker within the Politburo were already rife before the fortieth anniversary celebration. His unconcern with the on-going exodus over the borders was the final straw, and the growing street demonstrations throughout the country provided the opportunity for the established second-string leadership of the Party to dump him. Egon Krenz, considered Honecker's choice as "crown prince," took over all of Honecker's posts, began campaigning for popularity, and obviously thought he could retain power with the existing Party apparatus.

But the process that Honecker's ouster started ran out of control. Demonstrations of Party members before its central headquarters in Berlin in early December demanded the resignation of its entire Central Committee and Politburo with chants of "We Are the Party." The old guard capitulated and resigned *en masse*, including Krenz, who resigned both as Party Secretary and as Prime Minister. Parliament elected Modrow as Prime Minister, one of the few higher-ranking S.E.D. officials with a reputation as an honest reformer. Modrow remained through the March election the most popular political leader in the GDR despite his Party membership; most credited his integrity in representing his administration as one of "national responsibility" rather than one of party politics. In the Party itself, left leaderless, a working group of reformers took temporary control, called a Special Party Conference, and elected as chair Gregor Gysi, a lawyer with impeccable credentials in defending major opponents of the Honecker regime such as Rudolph Bahro, Robert Havemann, and Neues Forum co-founder Barbel Bohley. Hans Modrow and Wolfgang Berghofer, Dresden's personable, smart, and ambitious May-

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or, were elected vice-chairmen. The name of the party was changed from S.E.D. to S.E.D.-P.D.S., Party of Democratic Socialism (the "S.E.D." was later dropped).

The new leadership appointed a commission to review all of the Party's property, and voluntarily turned over—back, in a sense—major assets from buildings to publishing houses to sales enterprises for imported goods, from office equipment to holiday facilities that it found had not been acquired with its own members' funds. With some publicity it turned more than 3 billion marks from its coffers over to the state, to be used for health and educational purposes. Assets taken over from the old S.P.D. at the time of its merger into the S.E.D. were returned. Old-line party officials resigned or were pressured out. Much of the Party's central office building, in the heart of Berlin, was made available for public use (the rest was later turned over for offices for the new parliament). Leaders of the old guard (from Honecker to Krenz) were expelled from the Party, and dozens of members expelled in past years were "rehabilitated" and welcomed back in. The media that the Party continued to own were encouraged to establish their own news and editorial policies.

But critics did not believe the Party had really relinquished its control over the state apparatus. While prominent leaders at the top of the national and the regional hierarchies had been replaced, at lower levels within both the state and the Party apparatus many old Stalinists remained. One of Modrow's first pledges when he took office was elimination of the Stasi. Under Honecker, the Stasi had been built up to a force of over 130,000, with allegedly over one million informants regularly supplying it with information; it opened and often confiscated mail, listened in on conversations, followed dissidents, spied on houses, kept files on every active citizen. Modrow decided to reform it by making major changes in its composition and purposes, transforming it into a "regular" internal security force, free of Party control, similar to its West German or U.S. counterparts. That provoked a storm of opposition in December. The main office of the Stasi was stormed and many regional offices taken over by citizens' committees, files ran-

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sacked, equipment yanked out and destroyed. Modrow was finally forced to abandon his reform proposal and to disband the Stasi outright. The GDR is probably the only major country in the world today without a separate internal security force. But the fight over Stasi reform cost the Party credibility.

When, in January, a war memorial was smeared with paint and right-wing slogans, the Party helped organize a large rally against the threat of fascism, a rally in which many other groups, including the Christian Democratic Union (CDU) under Lothar deMaziere, the future Prime Minister, took part. Some believed the vandalism was actually the work of ex-Stasi, done to show the need for their continued existence, and that the Party at least cooperated in the effort. But other memorials have since been vandalized without use by the Party for propaganda, and the current Party and the ex-Stasi have no love lost for each other. More likely, the Party had no hand in the vandalism itself, but used the opportunity it presented to try to recover some momentum for its own revival. It certainly flexed its muscles in the manner in which it reacted and in the conduct of many of its more vocal members at the rally, and left a bad taste in many mouths.

The acerbity of the debate over the vandalism resulted from a mix of strong anti-Stalinism on the left and old-fashioned red-baiting from the right. The two sometimes reinforced each other. The only thing all parties in the election campaign (but the P.D.S.) agreed upon was that, if they won, they would consider coalitions with other parties, but always excluding the P.D.S. The Alternative List in West Berlin, for instance, a loose coalition of Greens and others, has said it would not, in the event of an all-Berlin election, enter a coalition with the P.D.S.; the Greens and Neues Forum, as well as the S.P.D., have said no coalition in the East. Wolfgang Ullman, of Democracy Now, one of the earliest of the opposition citizens' movements here, said his group would not work with the P.D.S. until it clarified "how it stood on the Leninist tradition." Lenin's picture still hung at the time in the halls of the Party headquarters, but no one seriously sees the P.D.S. today as a traditional Leninist party. Yet the wounds that a

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consistently Stalinist policy have left are deep, and many are not willing to see in the P.D.S. anything but a continuation of the S.E.D.

In early January, P.D.S. election hopes were dim. The Party had shrunk from 1,400,000 to 700,000 members, and demoralization was prevalent. But at a jammed Party conference Gysi presented a well received new program to the predominantly youthful delegates. He showed himself a highly intelligent, dynamic, and popular speaker, and the mood was upbeat. Gysi became a very effective campaigner, tireless, imaginative, quick with repartee. When he parachuted from a plane to demonstrate his commitment to a sports club, he got his picture on every TV program in the country; when asked whether he would be willing to share a platform with West Germany's bulky Chancellor Helmut Kohl (Gysi is short), he said, sure, but there wouldn't be much of him to see, or much of Kohl worth hearing. Berghofer quit the party in February, but Modrow stayed, and agreed to be the Party's lead candidate in the March election, although he spoke at only one political rally so he could maintain the integrity of his multi-party government. The 16 percent vote the P.D.S. received in the March election made it the third-largest party in the country.

The election campaigns of the major parties were Western-style: placards and posters, leaflets, horse-drawn carriages with loudspeakers, mass rallies, balloons, shopping bags, pencils, whirligigs. Its protagonists were Western, too: the "brother parties" in West Germany sent over their big guns, Kohl first and foremost for the C.D.U.; Genscher and Graff Lambsdorff from the Free Democratic Party; Willy Brandt, Helmut Schmidt (both coming out of retirement, but well known in the GDR as initiators of the "opening to the East"), and Vogel, for the S.P.D. The P.D.S. had no opposite number in the West to provide help, but still had an ample treasury and used the professional competence of its members to campaign effectively in the new style. The Greens only sent over speakers on a few occasions, since they had supported the concept, adopted by the Round Table but not adopted by Parliament in the GDR

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and ignored by the major parties, that the campaign in the East should be waged without Western money or interference.

Neues Forum, the Initiative for Human Rights and Peace, Democracy Now—the groups that were responsible for the success of the first phase of the *Wende*—were overwhelmed by the financial resources and political personalities mobilized by the traditional parties. The mathematical fairness of talk-show time allocation could hardly make up for the greater newsworthiness of the events of the major parties, and a little bus going from town to town with top campaigners was not in the same league as the hordes of advance men, press releases, news conferences, mass rallies, literature, and trinkets that money and an experienced political apparatus could provide. The election results were a stunning defeat for the groups and parties most responsible for the first phase of the *Wende* (5 percent of the vote—the Revolution eats its children, many said), an upset victory for the C.D.U. (46 percent), a poorer showing for the S.P.D. than had been expected (22 percent), and a slightly better one than expected for the P.D.S. (16 percent). With its conservative allies and the liberals, the C.D.U. had an absolute majority of votes; with the Grand Coalition into which it entered with the S.P.D., it has more than three-quarters of the seats in the new Parliament, ample both to amend the Constitution and to run the legislative show without regard to the opposition. Its problems will lie more in achieving consensus within its own ranks than in dealing with its formal opposition.

The post-election fourth phase of the *Wende* is now simply the consolidation of West German rule in the East. The issue is no longer whether it will take place, but only how, and when. The Article 23 issue is symbolic of the political alternatives. Article 23 of the Basic Law of West Germany* provides that the Basic Law may be applied to other German territories if they join the FRG. This is the route Kohl and the conservatives in the GDR advocate. But it is, legally and symbolically, the FRG taking over the GDR, not two independent states negotiating a

*The Federal Republic of Germany, (FRG) when it was first established after the war, did not adopt a "constitution" pending a free vote in a united Germany.

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merger; nor is it even the people of the two states voting to establish a single state, as the S.P.D. is now advocating be done. The P.D.S. takes the position that a new constitution should be adopted by a popular vote after an agreement between the states is negotiated as to the conditions of unification. The dominant theme in the victorious national election campaign of the conservatives was, "the faster unification comes, the better." But second thoughts are now appearing, as the details of a take-over emerge, and the alternative of a negotiated joining of the two states—with a new constitution negotiated between them and a referendum vote in both—is gathering support.

The Future

Economic integration with the FRG is moving relentlessly forward. Political integration will come more slowly. One could even imagine the one without the other for a longer period, particularly if international objections slow down political unification. The logic is simple: The dominant economic interests in the West do not need political unification to get what they want. They need two things: the right to invest, to produce, to employ, to sell, and the right to take the profits that they earn out and direct them into such other channels as they wish. In short, they need the right to get in and the right to get out.

For the right to get in, they need some fundamental reforms in GDR legislation, which can be summarized as the elimination of restrictions on the rights of private property. The GDR constitution still prohibits private ownership of the means of production, and distinguishes between social ownership of social assets and personal ownership for personal use; it was, after all, written by Marxists. These provisions are already changing. The conversion of social ownership into stock corporations in which the stock is initially publicly held but can be sold is under way. Joint ventures are being created under the terms of which private investors obtain rights of ownership in particular assets, and so forth. The change from socialism to capitalism can go by infiltration as well as by sudden big steps,

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and the process is well under way. For the right to get out, the only block is the non-convertibility of the East German currency. All that is needed is the substitution of West German currency for East, and that will have been accomplished by the time this is printed.

Four forms of "union" between the two German states are under discussion: currency union, economic union, social union, and political union. The first two, as suggested above, are critical, and will be completed quickly. The latter two are of less interest to the powers that be in the West. Real social union would be expensive. The GDR has after all built up an impressive array of social benefits, many of them substantially better than those in the FRG: child care, maternity (and paternity and even grandparents') leave, comprehensive medical care, integration of social facilities with the workplace, job guarantees, support for cultural activities, etc. If the FRG is to be brought up to GDR standards, it will be very expensive for the West; if the GDR standards are lowered, there will be massive protest in the East. The same thing holds true in reverse where FRG practices are ahead of the GDR's; average working hours in the FRG, for instance, are 34 hours a week, compared to 40 in the GDR—and a shorter work week is a prime demand of West German labor unions. If West German environmental standards are applied in the East, most of East German heavy industry will have to close overnight. So social union has real disadvantages for the West German leadership. So does political union. While its attainment would be a signal political accomplishment to parade in a West German election, it may also introduce a strong East German left into the national political arena, and a whole set of new forces into the electoral campaigns. If the economic occupation of the East by the West can be accomplished quickly, but social or political union go slowly behind, the leadership of the FRG may not be so unhappy.

But what happens on unification depends on events in the GDR as well as on the wishes of the FRG leadership; legally, at least, the GDR remains an independent state. The likely support for an independent stand in negotiations, for opposi-

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tion to a wholesale "sell-out" of the GDR, comes from three sources: material economic interests, largely from workers and organized through unions or by workplace councils; intellectual and ideological interests, harking back to a long socialist tradition; and residential/consumer interests organized on a local level.

The first base of opposition is centered in the traditional working class. Right now their pay is substantially less than that of their Western counterparts, and their hours somewhat longer, but their working conditions are in many ways good (e.g. lack of pressure) and they have full job security and good benefits. Good health care cannot override serious environmental hazards, but it is nevertheless a benefit. Unification may preserve their lower wages but lose them their security and benefits. Over the past 40 years the trade unions were thoroughly integrated into the Party apparatus. They were completely discredited after October; their former head, Harry Tisch, with his hunting lodge in the middle of a nature preserve, is currently under indictment. But the trade union federation has been significantly cleansed since then, and the importance of strong organization is becoming clear to workers. Two independent union groupings are now also in formation. The strong union movement in the West is lending lukewarm support. Their own interest in avoiding rate-cutting competition is heavily at stake. But some of the East's demands are disconcerting to them; a new Trade Union Law, for instance, passed by the Modrow government just before the elections guarantees workers rights in the management of companies, prohibits lock-outs, and is stronger than anything in the West. The FRG unions are also still unwilling to work with the formerly Stalinist structures of the GDR union movement. It will take quite a while before the unions in the East are again able to stand on their own feet, after 40 years in the service of power, and in the immediate future the higher pay scales in the West may make a little bit of capitalist exploitation a tolerable price to pay. As the realities of life under capitalism slowly become clear, however, the opposition may mount.

The second of the potential oppositional forces are the

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dissident left intellectuals, artists, church leaders, and active women. They were in the leadership of the opposition to the Stalinist S.E.D., and the spokespersons of the opposition in the first phase of the *Wende*. They founded Neues Forum and the other oppositional groups represented at the Round Table before the elections. The intellectual opposition today also includes old dissidents like Stefan Heym who are principled socialists, who identify the legacy of the GDR with the striving for a humane socialism. Within the P.D.S. the reformers are now also dominant, and young people are beginning to be attracted back to the party as a way of participating in organized political action. Among students, also, small independent groups with traditionally left leanings are multiplying. The Greens, sympathetic to the left in many ways, and learning some of the critiques of the West from their Western colleagues, have thus far deliberately kept ecological issues central in their activities; efforts to define such issues broadly and form left alliances have met with opposition within green ranks.

The intellectual opposition is however internally divided, and seems to have concerns that diverge from those of the majority of the people—or of the voters, at least, judging from the results of the elections. A sometimes bitter and generally fruitless discussion is going on at the moment about whether the intellectuals have either misunderstood or betrayed the workers, whether they were ever actually in accord, whether it is the intellectuals with their ideals of political freedom or the workers with their pursuit of a higher material standard of living that are the real motors of reform. That raises the whole question of whether it was political or economic motivations that led to the *Wende* in the first place, and how the two were related.

Political dissatisfaction with restrictions on freedom of expression, of travel, in the arts, in government decision-making, had been continuous in the GDR. Economic dissatisfaction had waxed and waned; over most of the GDR's history, there has been economic growth, conditions have consistently been better than in the majority of other East bloc states to which GDR residents could travel, economic security was

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provided and could be relied on. In the 1970s growth in many areas was in fact ahead of that in the FRG, although in absolute terms the standard of living lagged well behind (official statistics that suggest a narrowing gap are hard to interpret, and in recent years increasingly inaccurate). But by the mid 1980s stagnation was evident, and the contrast with the FRG increasingly glaring. Both the exodus over the Hungarian border in the summer and the later out-migration over the open border to the FRG were caused by the economic lure of the West; the chafing under political constraints may have played some role in the early days, but certainly none after November.

The leadership of the reform movement, both outside and inside the old S.E.D., however, was moved by purely political goals—purely, in the sense that the demands for economic reforms were not demands to improve their own economic position, not demands of a class or a group for improved material conditions for themselves, although in general the demands included economic reforms for the benefit of all. The nationalist revival in the second phase already began a turn to more material concerns: nationalism was equated with unification with a more prosperous West Germany, and the prosperity was at least as important an attraction as the common nationality. Ironically, the third phase, while it was played out in a political election campaign, involved almost exclusively economic issues. The conservative victory was a victory for economic assimilation to West Germany. Political democracy was hardly an issue.

But political democracy, certainly parliamentary democracy, is not identical with freedom, which is the better term for the initial concerns of the reform movement. The big question is the relation of the demands for a better material life, and for political, intellectual, and economic freedom. The unspoken assumption is that they all go together, that each will support the others. But the tension among some of them is clear. A return to the Performance Principle* is demanded, to provide

*The "Performance Principle" is equivalent to the principle, "To each according to his or her work."

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material incentives for better work, to reduce laziness and waste, and to increase productivity, thus raising the standard of living. But independent trade unions are also demanded, together with reduced working hours, increased vacations, and other benefits comparable to those in the West. Under most conditions the two demands go badly together. As Gorbachev has seen, even the minimal demands of organized workers for decent conditions can interfere with maintaining current production in mines and factories. In an economic system in which job security is one of its real claims to success, the threat of unemployment and reduced income that is the underside of the Performance Principle will encounter stubborn resistance. The West, capitalism, is no model there; "free" trade unions there have not succeeded in producing a share of the wealth for workers proportionately as favorable as that in the East. Nor is the Performance Principle rampant in the West, unless stock brokers, lawyers, and bankers are to be considered thousands of times more productive than factory workers, teachers, and cooks.

These issues tend to be defined in the current debate here as "social" issues, in contradistinction to political and economic issues, but they are, perhaps, the point where economics and politics meet. And here is also where workers and progressive intellectuals agree. The campaign to achieve social justice, to combine material prosperity with real freedom, is one where the interests and aspirations of workers and intellectuals should meet. This is a long-term perspective; it may not go far enough in the short term to have a noticeable impact on events.

Some grounds exist to expect the intellectually committed left to have more impact in the GDR than in, say, Hungary or Poland. One is simply material: economic conditions have not been as bad in the GDR as in Hungary and Poland. But day-to-day living conditions are worsening in the GDR, lines lengthening, more goods simply not available, the environment worsening, the previously improving prospects disappearing. Socialism could hardly keep adherents based on the provision of material goods in the GDR.

Another reason to expect a left opposition in the GDR

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might be that socialism had indigenous roots in Germany (as in the USSR), a native tradition to draw on, local leaders to rely on after the defeat of fascism. No doubt true to some extent, but the overwhelming majority of prewar Communists were murdered in fascist concentration camps, the Moscow hand in the imposition of the East German regime in 1949 was ungloved. The pompous pedagogic insistence on the legacy of Marx, Engels, Luxemburg, and Liebknecht has led as often to their trivialization as to their hallowing.

Another reason to expect a left opposition is very speculative. The thoroughness of the German approach has in fact led to the eradication of traditionally defined capitalism and capitalist characteristics in East Germany (would be capitalists had the alternatives, one way or the other, of leaving, as many did, or achieving their objectives through other, "non-capitalist," means). Fundamental achievements attributable to a socialist economy are visible: priority for workers, equality, social security, free health care, minimal costs for housing, transportation, basic foodstuffs, higher education. The weaknesses of the East German economy: low productivity, low investment, distortions of efficiency by the abuse of political power, a stifling bureaucracy, even the perquisites of political rule (in my impression significantly less than in, say, Hungary or certainly in the Soviet Union) were all arguably remediable within the system. The addition of democracy and democratic controls to the underlying socialist economic structure could still have been advanced as a realistic alternative to capitalism in East Germany, in a way in which it hardly could in Poland or Hungary. It was in fact put forward by many on the left in the first two phases of the *Wende*. But, in the face of the rapid unification movement, it is now hardly relevant politically.

Urban residents and agricultural cooperative members, whose living conditions, in particular whose housing, may be thrown into crisis by unification, are the third of the forces from whom opposition to the takeover from the West may be expected. Speculators in the West are buying up claims by dispossessed or uninterested Westerners to East German property as quickly as they can, claims that were considered

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worthless before October. Cars with West German license plates are cruising residential areas photographing houses for potential investors. The West German Real Estate Association warns its members against using straw men to buy East German property; the law prohibits authorized sales to non-citizens, but everyone knows such sales are prevalent. The community-based citizens' movements that provided much of the initial basis for the October changes are beginning to realize that these new market-based forces may not provide the solutions they still seek. But as of today, they are far from seeing the national strategy that would be required to protect these seemingly local interests.

Reflections on the Past

The foregoing is a fairly straightforward account of what has happened thus far in East Germany, and what may be expected in the future. Explanations are more difficult.

The big question is: how could such a change in power relations come about so peacefully and with so little resistance? Within a period of two months, essentially irreversible by the end of the second phase of the *Wende*, the complete destruction of a set of power relations was accomplished. The power of the entrenched S.E.D. bureaucracy was shattered, despite its absolute control over the media, the educational system, all voluntary organizations, its truce with the church, its well-ordered internal distribution of power, and above all its apparatus of over 130,000 full-time employees in the state security apparatus, censoring mail, eavesdropping on telephones, keeping detailed files on all residents, calling on millions of willing or unwilling volunteers for information on their neighbors and co-workers, infiltrating every potentially disruptive grouping, with proportionately one of the largest armies in Europe. Was this the first peaceful revolution in modern history?

Was it a revolution in the first place? Without entering the debates over definition, the first phase of the *Wende* involved a destruction of an existing power structure without the establishment of a viable alternative. This created a partial vacuum in which the ruling forces in a neighboring state quickly

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established their own domination. Under this domination, in the third and fourth stages of the *Wende* economic structures and relationships are also being completely overturned. "Counter-revolution" is hardly an appropriate term for the reversal of changes that took place 45 years ago (and would of course raise the question as to whether those changes were themselves a revolution), but in terms of class relations it seems accurate: those class relations that existed prior to 1933 (and in many ways continuing through fascism) are now being reestablished; those that were established post-war are now being destroyed, and the completion of both processes is not in doubt.

How then could such a dramatic change come about so peacefully? There are two possible explanations. One is that the real ruling powers at the beginning of the *Wende* were weak and unable to defend a top-heavy structure from a real challenge. The top of the Party hierarchy consisted of a very narrow circle of people; once their position weakened, once they embarked on the road of concessions and then themselves withdrew from power, the apparatus they had headed was unable to fend for itself, to stand in the way of sweeping changes. Certainly the contrast to the party apparatus in the Soviet Union is striking. In the Soviet Union there is, it seems, a major independent force, capable of sabotaging reform not only from without but even from its own leadership and top ranks. In this explanation, not the ouster of Honecker but the resignation of Krenz was the turning point, brought about as much by his weakness as by the power of the opposition. Certainly the opening of the Wall on November 9 was perceived by many at the time as a panic reaction, quite unexpected by the opposition and going well beyond what they had thought to be attainable, or even desirable.

The other explanation is that the real shift in power was not so much from the Party to the oppositional political forces of October, 1989, but rather from GDR based ("socialist") structure to FRG based capitalist economic structures, a shift (revolution) which is not yet completed, but whose success is already assured. Honecker to Krenz to Modrow (even to deMaziere) were only changes in formal political power, in the

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superstructure, under which the real economic relationships remained quite stable. The big change is represented by the currency union, the privatization of state firms and/or their buy-up or take-over by private firms from the FRG. The destruction of their political apparatus in the first two phases was relatively easy, because it did not have the anchoring in economic relations which, e.g., the Soviet Party had, with its vastly greater privileges and entrenched personal power. But that destruction left a vacuum, in which the democratic opposition was strong enough to prevent the reform leadership of the Party from exercising control but not strong enough itself to take over, thus opening the door to the invasion from the West.

This second explanation suggests that the Party in the GDR was not in the traditional sense a ruling class, and that its power, though strong and visible, was not rooted in any deep economic structures. Certainly if one believes that no ruling class gives up its power without a struggle, it must be said that the S.E.D. in the GDR was a pretty pathetic ruling class in the fall of 1989. The power and privileges of its members melted away like snow in spring: the reference to the "leading role of the Party" was removed from the constitution with the consent of the Party; Wandlitz, the private residential enclave of the ruling elite, with its (relatively modest) mansions, security fence (à la California private communities), shopping facilities with foreign goods, separate lane for travel to offices in downtown Berlin, has been converted into a rehabilitation center within the medical system. Egon Krenz even let television crews in to show the public the privileges being surrendered. The hunting lodges of top S.E.D. leaders are being converted to recreational use for public organizations. Thousands of members of the security police have been laid off. Full-time positions for workers representing the party in factories will be eliminated. Hundreds of party officials at national, regional, and local levels have been forced out of their jobs and lost their privileges.

Putting the two explanations together presents a clear and realistic picture of what I think has actually happened here since October. It suggests a two-level picture of "socialism" in

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the GDR: a real and major difference in economic structure and economic relations from Western capitalism, largely consistent with traditional concepts of socialist ownership, and a political structure and set of relations not consistent with traditional socialist concepts, top-heavy and vulnerable. The political structure was overthrown, or collapsed, in the first two phases of the *Wende*, the economic structure that might have provided a basis for a new form of political decision-making could not survive because of pressures from outside the system. That suggests that the weakness of the political structure is related to its inconsistency with the economic relations over which it presided, that a strong and progressive socialist economy requires a democratic and bottom-up organization both of production and government. If democracy is absent and the political is in discord with the economic, the whole structure becomes self-contradictory, stagnates, becomes vulnerable. What replaces it then depends on the context. In the GDR, the presence of the FRG was decisive; the brief opening for a "third way" perceived in the first two phases of the *Wende* closed quickly. In the other East European countries, neither a third way nor an integration into the first, the developed capitalist world, seems plausible in the immediate future; a dependent Third-World-like status seems at least an interim possibility in several.

Was it then only the Stalinist political structure of the GDR that accounted for its collapse? Could it economically have held up in competition with the economy of the FRG had it been better, more democratically, run? What, in other words, does the GDR experience teach us about the economic potentials of socialism?

The historical evidence is inconclusive. That the GDR lags well behind the FRG in its per capita GNP is hardly debatable. While the figures suggest a gap of only about 20 percent no one believes them, and everyday experience shows a startling difference in the standard of living, from cars to housing to clothes to food to gadgets. "That shows beyond doubt which is the superior system," argue the conservatives in West Germany and indeed in the United States. But the

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comparison is fundamentally flawed. More than half of the industrial base of industry in the Soviet zone was destroyed in the war, to begin with, while the corresponding figure in the Western zones was under 20 percent. While the Western occupation zones of Germany (after their unification, the FRG) received a large part of the Marshall Plan aid from the United States, the GDR was paying out to the USSR, as reparations, in money, materials, and whole factories, much more than the value of all damage caused by the war. U.S. capital collaborated with the existing German industrial and financial leadership, much of it heavily involved with fascism, to build the West German economy to the mutual profit of both; in the East, antifascist feelings and fear of German strength led to the elimination and exile of almost all those with any leadership roles in the past, and a deliberate policy of suppressing German growth. An initially backward Soviet Union, tremendously weakened by the losses of the war, led by a repressive and unbalanced regime using military might to substitute for the economic power it did not have, was no match for the United States in the support it could give its allies in Europe. Much of the difference between the two German states, after 40 years of such history, can be explained without any reference to socialism or capitalism.

But not all. There are sound reasons for skepticism about what the results of competition between the two systems could have been expected to be, even if they started even. West Germany, Sweden, and the United States produce as efficiently as they do in part because they benefit from an international division of labor. If the capitalist standard of living were calculated on a comprehensive basis, it would have to include Haiti as well as Switzerland, Ethiopia as well as England, the underpaid and repressed millions of Korea, as well as the overpaid few of Wall Street. A socialist country, presumably, precludes exploitation of such international divisions. By the same token, would a socialist country want to compete with West Germany in the use of material incentives to stimulate faster, less autonomous labor, subject to the threat of discharge and degradation? Would it want to use the promise of personal wealth to encourage 60 hour weeks and workaholism? Is

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shifting the cost of environmental degradation from industry to the public a trend to which socialism wants to contribute? Because of the potential abolition of the waste of advertising, of manipulations of ownership, of the maintenance of power, of the production of unneeded goods, socialism should have an edge. But in the real world, betting on GDR success in face-to-face competition with the FRG, even given a different political structure in the GDR, might be betting against the odds.

The Performance Principle has been much discussed here in the course of the past months. Its absence under socialism has been presented by westerners as a fatal flaw of socialism; the reform socialists in the GDR join in calling for its implementation. On the face of it, the call for a return to the Performance Principle by the advocates of a democratic socialism would startle anyone who had lived through the 1968 movements or read its literature. Yet that call is hardly a rejection of that literature, since the work of the Frankfurt School, indeed of most recent Western Marxists, is still largely unknown and unavailable in the GDR. But beyond this, the criticism of the Performance Principle has been a historical one; its linkage to the systems of class domination is hardly contradicted by any experience of history to date. The assumption of a society of plenty, in which utopian aspirations are realizable and thus no longer utopian, underlies the call to aim beyond performance to freedom. The society that would make that possible does not exist in Eastern Europe as yet.

Indeed, the dilemma is hardly a new one. In connection with events in Brazil, but perhaps equally applicable to Eastern Europe, the editors of *Monthly Review* quote Engels, writing in 1851 of Thomas Münzer:

> The worst that can befall the leader of an extreme party is to be forced to take over the government at a time when the movement is not yet ripe for the domination of the class he represents and for the measures the domination of this class requires.

Herbert Marcuse quotes Lenin as writing, in 1918:

> In reality, state capitalism would be a step forward for us. . .. If

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we would have it in Russia, then the transition to full socialism would be easy and certain.

Must a "prematurely socialist" society then return to capitalism before it can achieve mature socialism? Or would a less fully developed socialism have to intensify application of the Performance Principle to production, rather than to ameliorate it, in order to progress to its abolition? The question is academic today, since even in the Soviet Union implementation of a close relationship between performance and pay is taken as necessary by all sides in the current debate. Yet speculation on the answer is relevant to an understanding of the economic stagnation in the GDR.

By substituting security for wealth as the incentive for routine labor, a change in the set of motivations that drive individual actions may have been achieved, undermining a pillar of the Western system of accumulation and discipline. It looked briefly as if political freedom might provide an opening for motivations that would fill the gap. The flowering of expression, of activity, of social involvement, that erupted in the first phases of the *Wende* here was unbelievable; no one here, but no one, believed it possible as late as the beginning of October, even those committed to it for most of their active lives, as many indeed were. External events certainly helped precipitate it. Czechoslovakia has gone the way of East Germany in part because East Germany already had gone that way, and the FRG has certainly played a significant role as an alternative if not as an active force, an alternative which the Hungarian opening made into a crisis for the GDR. But what erupted once that opening appeared is not explicable by external events; it reflects what is here, and clearly was here through all these forty years. Might it have been possible that that political energy would have been transferred to economic activity, had the FRG not interfered? No one can safely say; I would not have written the possibility off. Or, theoretically, if the Performance Principle is put in place, not from above but from below, as a democratic choice, externally agreed upon and controlled, perhaps the result could be different. Marx, at any

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rate, saw the need for performance as a component of socialism in a transition to communism. Perhaps it needs to be more fully implemented before it can be abolished.

Meaning for the Left

The implications of all of these developments for the left are far-reaching. An historical phase has come to an end; only in the Soviet Union is the result in doubt. The temptation is there for socialists to be self-righteous, to deny that the events in Eastern Europe and elsewhere are a defeat for efforts at socialism, to argue that socialism did not lose, just Stalinism, to say that all that true socialism has to learn from the experience is to keep away from false socialism. But I think at least four other, more complex, lessons are to be learned: the first has to do with learning from the failures of the economic planning system used in the Eastern European model; the second has to do with building on the real successes that were in fact achieved within that model, in thinking through new possibilities; the third has to do with the ongoing presence of the movements involved, the individuals involved, in short, the living consequences of history; the fourth has to do with Stalinism, democracy, and polemics.

The first issue involves both national and international developments. The GDR has probably had the most fully developed and thorough system of central planning in use anywhere in the world. As a means of regulating an economy, it has had some successes and many failures. The results—I speak here in narrowly economic terms only— have been a rapid development in selected and limited areas (e.g. housing, perhaps micro-electronics), a broad lack of innovation and stagnation in major branches, a lack of responsiveness to consumer preferences, a real but rigid equalization of distribution, a priority for public decisions in disregard of both conflicting planning goals and private priorities. Much more detailed, empirical, and open-minded examination needs to take place of what has actually happened in countries like the GDR and just why it happened. Distinguishing the effects inherent in central planning from those arising out of resource shortages,

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international constraints, Stalinist political structures, and sheer stupidity, is not easy.

Competition with other advanced industrialized countries at least contributed to the breakdown of East German economic planning. Socialism may have to be conceived of quite differently in the context of a European Common Market and global economic integration than it was 70 years ago. The whole controversy about socialism in one country needs re-examination. So does the controversy about socialism in different stages of development. At the very least, relative expectations are as important as absolute technological levels of productivity in defining the appropriate form of socialism. Indeed, the different meanings of socialism in different historical contexts seem to me to require much further elucidation, to which both a balanced assessment of events in Eastern Europe and in the Third World should have much to contribute.

The second lesson to be learned has to do with the accomplishments of really existing socialism. In the past, it was hard to discuss this issue without first having to deal with accusations of either defending or attacking a political system, without becoming involved in questions of tactics and strategy that swirled around working in and with the countries involved. The larger questions have not disappeared, but a more dispassionate analysis should now be possible. I think it will disclose substantial achievements, and I believe some of those (but not all) have to do with the form of economic organization involved.

The examples best known to me are those we have experienced in everyday life here over the last year, or that I know through my own attempt at a detailed account of housing and city planning. The problem with presenting a balanced account is that it is hard to separate the effects of specific economic policies from the effects of shortages, misallocations, and inefficiencies which in turn come from other economic policies. For instance: Rents are among the lowest in the developed industrial world, averaging 3-4 percent of incomes. There is a minimum of social differentiation in residential life;

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workers, bureaucrats, the elderly, managers, professors, live in substantially similar accommodations in similar neighborhoods. The absolute level of housing leaves much to be desired, in both quality and quantity, but the distribution is essentially social and just.[1] City centers are often monotonous, pretentious but drab, yet the range of cultural offerings, meeting places, and social facilities available at minimal or no cost is large. Health care is available free, both in neighborhoods and in specialized facilities, as a matter of course; dentists, doctors, pharmacists, simply do not know what it means to write out a bill, as we found out when we wanted to pay for services for which we could get reimbursement through our insurance. Public transportation is old, often crowded, and generally slow, but it is reliable, ridiculously cheap, and plentiful. Artists, writers, and musicians are called "cultural workers," which runs against the grain, but most are state supported, given ample contracts, often pampered (at least the upper echelons) in housing, vacation facilities, and travel. Vacation facilities themselves are largely collective, well cared for, distributed equally through organizations and places of work, and very cheap.

All this was not without abuses. Political allegiances played a significant role, some were excluded, others favored, quality varied widely, all without regard to what the system prescribed in principle. But the point here is not to arrive at an overall judgment of what was or was not achieved, but to find out what can be learned from the system, what has worked, what could be built on in the future. And here there is much that deserves closer, unbiased study. For that purpose, much finer distinctions must be drawn than those between "market" and "state," or "capitalism" and "socialism"; not only the nature of political decision-making, but also the level of centralization, the nature and extent of external influences, ideological influences, and administrative mistakes must all be differentiated.[2] Certainly *some* good results were achieved from *some* particular policies that most would consider attributes of any socialist system, and those for socialists deserve particularly close examination.

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To the third issue, what future consequences will flow from the recent changes in Eastern Europe and the 40 years that preceded them: one consequence will certainly be, in the GDR, a fight to preserve those benefits that have been achieved thus far in areas such as housing, medical care, social security, job security, culture. The support for such efforts is likely to come from the three sources already described: workers, anxious to keep benefits at their workplace, and to keep the workplaces themselves; the intellectually committed, still seeing a better future in the pursuit of a "third way" than they see in either their own past form of socialism or the private market economy next door to them; and residents, concerned to improve their living conditions and keep them affordable.

But there will also be consequences for West German developments, and indeed for developments in other countries throughout the world, from the events in Eastern Europe. In the particular case of the GDR, the questions are quite clear: what will be the relationship between the progressive forces in the GDR and those in the FRG? The outlook, as of this writing, is depressing.

The Greens in the West are bitterly divided among themselves, and small groups are splitting off regularly over issues both of principle and of tactics. In Berlin, in Hamburg, nationally, internal debates among the West German Greens are divisive. In the East, an electoral coalition between the Greens and the very progressive and competent Independent Women's Union broke down when, as a result of a quirk in the electoral arrangements, all of the coalition's 8 seats went to Greens, none to the Independent Women, and the Greens refused to surrender even one of their seats to adhere to the spirit of the coalition agreement.

The Greens are the largest parliamentary oppositional group in West Germany; the P.D.S. is the largest in East Germany. When it comes to unity between these two groupings, the prospects are dim. One of the leaders of the respected left Democracy Now, closely allied with Neues Forum and the other early oppositional groups, recently withdrew from sponsorship of the traditional Easter March for Disarmament when

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the P.D.S. became a sponsor. Most of the oppositional parties in the East, and thus far the Greens in the West, have ruled out coalition with the P.D.S. Whether the hostility is simply a survival of an ingrained anti-communism and/or anti-Stalinism (and these two are also of course historically very different), or from an assessment of the extent to which the old S.E.D. continues to exist within the P.D.S., or results from competition or failed communication between rival groups, is hard to say. On the personal level, e.g., with Gregor Gysi, or among individual members, relations are generally good. On issues, there will necessarily be more and more parallelisms. The P.D.S. recently announced it would begin to organize in West Germany, but not until after the December elections there, so as not to take away from the Green vote. Even within the S.P.D. there is much sentiment for working together on specific issues, and some mutual respect and understanding. But solid working agreements, let alone coalitions, do not seem on the horizon.

The socialist left in the West has had few good relations with the left in the GDR for historically clear reasons. Radical Marxists in the West have, since before the war, been anti-Stalinist; their contacts with those in power in the East have therefore been negligible or hostile. The opposition in the East, on the other hand, has always been viewed as potentially anti-socialist; even those that have solid Marxist credentials and have fled to the West (Rudolph Bahro may be the best known example) have been viewed with some ambivalence there, often with reason. There have been a few with unquestionable radical credentials on both sides of the Wall—Robert Havemann, Wolf Bierman, for example—but very few. The progressive left on the two sides of the Wall have had very different problems to contend with up to now, and their responses have often put them at seeming odds with one another. Unity will not come easily.

That leads to the fourth issue: Stalinism, democracy, and polemics. A speaker at the recent birthday celebration for Marx at Rosa Luxemburg Platz in East Berlin commented that Marx was a bad personal example of how to get along with others; he polemicized unsparingly, with potential friends as well as foes,

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never admitted he was wrong, sought out points of disagreement more than of agreement. Lenin, the speaker said, was far better in these regards, at least late in his life. Regardless of the accuracy of these judgments, it seems to me the role of polemics on the left needs to be addressed correctly. Members both of the splintered left in the West and the Stalinist hierarchy in the East had at least this much in common: a conviction that they were absolutely right, an antagonism to opponents, an unwillingness to listen, a hard attitude towards disagreement. Formal democracy is certainly a restraint on such attitudes. Yet it addresses the symptoms and ameliorates the consequences, while leaving the causes untouched. Certainly polemics have their place, and certainly there is a difference between compromise on politically relevant principles and friendly discussion of academic differences. But hard Marxism has had many unfortunate consequences. Perhaps some discussion on the left would be fruitful, of where, when, and with whom to be hard, of where, when, and with whom to be soft.

The weakness of the left in the West and the failures of the left in the East have another thing in common, which has to do more with capitalism than with communism. Neither has developed a critique of capitalism, nor a picture of the goals of socialism, that has captured the imagination of anywhere near the majority of the population. The impact of the opening of the Wall on residents of the GDR, and the failed attempts of progressives to place that picture in perspective, are symptomatic. In the competition for the allegiance of voters, day-to-day experiences count for much more than sophisticated alternative future scenarios. In those day-to-day experiences, the winner until now is undoubtedly the FRG. The millions of GDR residents that have seen West German cities for the first time in their lives these last few months have overwhelmingly come back with a favorable impression. The shops are full, the variety is wide, the quality is high, the streets are clean and well paved, public services are good, the houses are well-maintained, prosperity seems everywhere; the system "works," in all those everyday ways in which it does not seem to work in the East. No promise to do better in the future will save socialism in

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the GDR; the placards at demonstrations already read, "No more Experimenting with Socialism for Us!"

The placards reflect a real truth: really existing socialism has had some egregious failures in areas where it should have been strongest: good public services, health care, education, artistic freedom, cultural variety, good housing, historic preservation and rehabilitation, architectural innovation, self-expression, even environmental protection (no country using brown coal as its main energy source, as the GDR does, will ever get an environmental award). The only effective counter-argument is to go beyond the first glance, to highlight, not the accomplishments of the GDR, which are hard for those accustomed to them to see, but the contrasts with the failures of the FRG. And that means more than simply listing the obvious failures: the unemployed, the homeless, the drugs, the mentally ill, the crime, and the vandalism, the underside of a highly competitive economy that produces losers as well as winners. While such failures are talked about in the East, many are not persuaded: they see themselves as among the likely winners, and there are losers in the East too.

What is needed is a real sharpening of the underlying left criticisms of capitalism. The obvious failures of the West are real, but they are recognized as failures by the powers that be there too, and the GDR had at least as obvious, if different, failures. A competition of failures would probably not end up to the benefit of the GDR. But, with recent developments that is no longer the question. Real existing socialism does not need to be defended today, but real existing capitalism attacked, and attacked not for its symptomatic warts but for its endemic diseases.

The points needing emphasis center on the critical need of the economy to grow for the sake of growth, to produce profit, to accumulate and produce and sell, and its consequent subordination of the state (and the environment) to those ends. There are unemployed in the West not because of temporary lulls in the economy, but because placing profit first means firing workers who are not generating profit. There are crimes, drugs, mental illness because a highly competitive economy cripples

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many of its participants, places psychic and social demands on them that cannot be met, and leaves even its winners in constant tension. There are pollution and environmental degradation because exploitation of the environment is free, and thus does not reduce profits; in the battle for environmental protection, a profit-oriented industry will always be in opposition. There will always be social inequality, because that increases profits; winners win more if losers lose more. Keeping the Third World in dependence and poverty is not an accident or a failure of the world capitalist system, but part of its formula for success. People are homeless in the west, not because the private housing system is not working properly, but because it is working properly: housing is allocated on the basis of who can pay, not who needs housing. Had these points been better presented and more democratically discussed in the GDR in the past, the conservatives might not have had such an easy victory in the recent elections there. Such points are all the more important today.

It looked, for a brief period in October and November of last year, in the first phase of the *Wende* in East Germany, as though it might be possible to build a new and democratic socialism on the ruins of an old, decaying Stalinist regime. When the first draft of this essay was written, it focused on that possibility. It is no longer real; the victory of the powers in the FRG over the alternative in the GDR is unquestionable. But that is certainly not the end of the story, rather the beginning of a new phase. The conflicts that have run throughout the modern period in the capitalist countries will now find their direct extension in the countries of no longer really existing socialism. The capital that has extended its influence over these new territories knows its own interests, works together in its common interests even while individual capitals compete, coordinates its goals and its strategies in its common interest. For those in opposition to the domination of capital, the task is now similarly to work together.

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NOTES

1. I have written an extensive account of the system, providing both the detailed factual background and the necessary qualifications to these generalized conclusions, in Bengt Turner, ed., *Housing in Eastern Europe*, forthcoming.
2. Again, I have tried to do this in a separate paper, "Towards Clarity in East/West Studies: Some Conceptual Issues of Market and State," forthcoming.

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FREE AT LAST?
THE NEXT ROUND IN SOUTH AFRICA

by JOHN S. SAUL

Hold the champagne. The struggle for democracy in South Africa is a long way from being over, despite the euphoria earlier this year surrounding the unbanning of the African National Congress, the release of Nelson Mandela, and the announcement that "negotiations" were now firmly on the agenda. But perhaps we can at least raise ourselves a glass of Niagara Peninsula red. Things have changed in South Africa, chiefly because of the reemergence—in 1989 and in the very teeth of the state-imposed Emergency—of mass political resistance inside South Africa itself. There is indeed cause for celebration in this victory of the South African people. But how much have things changed, and why? What happens next?

Certainly the apartheid state is under continuing siege, and this suggests many good reasons for thinking of South African President F. W. De Klerk and his colleagues as acting merely defensively. But it would be a mistake to see the South African state as being on the run. While not in complete control of the situation De Klerk is trying to take the offensive; he is seeking to shape a new political terrain in ways favorable to his own purposes. More than his predecessor, P. W. Botha, De Klerk has sensed the stalemate created by the National Party's

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repressive checkmating of the near-insurrection of 1984–1986 to be unviable—fragile politically, formidably expensive, unconvincing to potential investors and other concerned parties abroad. In consequence, the De Klerk team has moved to open up the political process to new possibilities.

This represents a considerable leap in the dark for De Klerk, but one it seemed advisable to take. Hunger strikes, widespread defiance of bannings and segregation notices, industrial action and worker stayaways, the revival, in 1989, of the popular resistance movement—or "Mass Democratic Movement (MDM)," as it has come to be known—made it clear the government could not hope to stabilize things in the same old way. While, by 1988, the government's brutal State of Emergency regulations had indeed taken their toll on progressive organizations (see my "Without Proper Papers: Inside South Africa," *Monthly Review*, January 1989) the resurgence of resistance forced the Nationalist Party to find other ploys.

As well, renewed resistance gave fresh life to the global sanctions lobby, at the same time as the resulting instability gave pause to international investors on whom the economically troubled country is vitally dependent for credit and technology. Meanwhile, the White House, hounded at home about sanctions, pressed Pretoria to signal new flexibility in its policies—even as South Africa's good friend Margaret Thatcher counselled the need to "normalize" things in a more readily defensible way.

A more subtly political approach also recommended itself just as those who favored the hardest of lines in South Africa were themselves on the defensive in ruling circles—mere repression a failed policy inside South Africa and the stunning military defeat of South Africa by joint Angolan-Cuban forces a reality in Angola. Moreover, world events further discredited the apartheid regime's old game of claiming to be a buffer against the global "red menace," while the very collapse of the Communist bloc served to raise international expectations of some kind of democratic outcome in South Africa.

Under these pressures the De Klerk government came to take initiatives not easily predicted a few short months ago. Yet

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these initiatives are too calculated to be merely the writhings of a government in retreat. They are modest changes made now the better to preempt the possibility of more dramatic changes later on. Less clear is just what, exactly, the government feels it is trying to defend as it moves ahead.

There are some in South African English-speaking business circles who all but argue that the entire structure of legalized racial domination can safely be jettisoned. Do away with the anomaly of institutionalized racism, they seem to say, even to the point of establishing a legally "color-blind" liberal democracy. This would put a highly dependent South Africa back on speaking terms with the world economy. And it might even preempt the possibility of an increasingly frustrated and radicalized popular movement placing some kind of socialism on the South African agenda. Increasingly, there are even Afrikaners within the Nationalist Party itself who are sympathetic to this kind of argument; they are the new entrepreneurial and professional strata, people now tempted to think in class rather than communal and racial terms. Secure in their economic privilege, they are inclined to leave the cause of defending fully institutionalized racism to strata more immediately vulnerable to black advance: the marginalized white farmers and remnants of the white working-class who therefore provide the social base of the far right.

Still, the fact is that all but the most supremely confident of liberal-capitalist voices in South Africa have proven themselves to be nervous, when push comes to shove, about the prospect of actually implementing successfully a preemptive "democratization" of South Africa—however elegant such a solution might seem to be in theory. How much more is this likely to be the case of F. W. De Klerk, known as a figure solidly positioned on the center-right within the Nationalist Party? If not deaf to the voices of liberal capital he is likely to be no less cautious than they. Moreover, he is much more self-conscious about the racial dimensions of what is currently at stake in South Africa, much more reluctant to leave the defense of white-skin privilege to the workings of the market and the bourgeois-democratic process.

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In short, defense of the formal and legal structures that lock into place a racial hierarchy is still a large part of what De Klerk is about. Interviewed by Ted Koppel of ABC-TV's *Nightline* a few days after the release of Mandela, for example, De Klerk still mouthed the old Nationalist line that seeks to present South Africa as a "multi-national" amalgam (with all those "tribes" whose interests must be accommodated). And there is still a great deal of talk of "group rights" and "minority rights" that seems crafted to promise complex constitutional proposals inimical to genuine majority rule. Of course, even the most liberal of capitalists might see in constitutional "checks and balances" some further guarantee that political majorities (largely black and underprivileged) could be blocked from legislating programs to redress the deep-seated socio-economic inequalities of South African society. But De Klerk, speaking out of an even more overtly racist political tradition, shows even less sign of embracing the cause of one-person, one-vote in a unified South Africa.

This means that there are considerable grounds for continuing struggle between the South African state and the popular movement, the gap between the minimum "one person, one vote" demand of the movement and the greatest concession contemplated by the De Klerk government being so vast. Not that this makes De Klerk's moves to break the prevailing mold of white South African politics and redefine the terrain of struggle any less of a leap in the dark. He is indeed uncertain as to just what mix of racial privilege and capitalist economic structure he can and will defend, as he seeks both to keep politically one jump ahead of the white right-wing and, simultaneously, to contain and to qualify the revolutionary potential implicit in an untrammeled expression of black opinion.

Still, if the rules of this game are new and somewhat unclear, it remains a game De Klerk intends to win. He may have moved rather boldly to subordinate the security arm of the state more firmly to his own purposes, but he is very far from yielding up the most primitive instruments of his control over the political process (for example, the State of Emergency regulations themselves that he has continued to use aggressive-

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ly in recent weeks). More subtly, De Klerk hopes to adapt the divide and rule tactics that have always been a part of apartheid's grand design (tacit state support of so divisive a Bantustan leader as the cruel Gatsha Buthelezi being a case in point) to the end of weakening the bargaining clout of the democratic political movement. By such means, he wants not only to shape the institutional framework within which any future "negotiations" may take place but also the substantive outcomes of those negotiations. In short, he is taking the offensive, seeking to guarantee for himself and his colleagues the largest say in what a future South Africa will look like.

Of course, the result is novel terrain—and new room for maneuver—for the popular democratic movement itself. In response to De Klerk, the ANC and those organizations most directly linked to it under the umbrella of the MDM—the Congress of South African Trade Unions (COSATU), the United Democratic Front (UDF), the South African Youth Congress (SAYCO)—will now seek to accelerate change and to seize the initiative in setting the terms of such change by mounting continuing pressure on the government. True, the ANC was taken somewhat by surprise by the swift pace of recent events in South Africa. Nonetheless, the liberation movement has reacted with considerable aplomb, not least because Nelson Mandela, upon his release, did so as well. In his first speeches, and to the chagrin of some, he refused the mantle of supra-historical myth and/or savior and instead embraced the role of activist—and ANC militant.

In fact, realism allowed for no other course. No one knew better than Mandela that he could not deliver personally the substance of a transition to genuine democracy from a South African government reluctant to go anywhere near so far. It would be necessary to organize ever more effectively on the ground in order to give weight to the continuing demand for such a transition. To this end a coherent mass movement, not a single voice—however much one ennobled by historical circumstance and personal sacrifice—is what is required.

For much the same reason—the need to sustain maximum pressure on what remains an entirely illegitimate South

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African government—Mandela insists international sanctions be maintained and that the right of the ANC to retain the weapon of armed struggle as a legitimate part of its arsenal be acknowledged. Yet popular political pressure mounted inside South Africa remains the crucial variable if the De Klerk government is to be brought to accept the ANC's uncompromised agenda and future negotiations are to avoid deadlock. Here it is a question of building, on the ground, on the township networks that the UDF and SAYCO already have in place, and on the working class self-organization that the trade union movement in South Africa has come to represent. The goal is to create an ever more effective national organization, one now built more openly around the overt centrality of the ANC. Such an organization must give renewed focus and clout to the mass mobilization and political creativity already on display in the townships, the Bantustans, and the workplaces. And it must do so without freezing, bureaucratically, that creativity—by allowing for its own continuing growth and transformation as dictated by the energy that is so visibly surging up from below in South Africa.

This goal will not be easily achieved by the ANC/MDM. The toll of exile and repression has been a severe one and there is much ground to make up in order to rebuild organizationally. Moreover, there is no easy answer as to what such an organization's agenda should be. Much depends on the extent to which the credibility the ANC/MDM has already obtained can be translated into gains in the negotiations (or pre-negotiations) phase. Beyond that, it remains to work out in practice the kinds of actions that can and should be pursued, the precise mix of nation-wide demonstrations and stay-aways, of local level rallies, marches, and negotiations, of more dramatic confrontations (up to and including armed confrontations if government recalcitrance warrants it) that might be expected to produce results.

Fine-tuning the popular movement for the new phase of struggle in South Africa will take time. Unfortunately, the ANC's credibility will now be partly defined, at least overseas, by its ability to "control" spontaneous outbursts of black

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popular outrage—even though the responsibility for any such outbursts should more appropriately fall upon De Klerk, given the incendiary combination of expectations he has raised, the continuing refusal of his government to meet such expectations fully, and the ease with which he continues to fall back upon crudely repressive measures when it suits him. And the movement's credibility will be defined, too, by its success in fighting divisions within the ranks of the black population, not least in Natal where internecine struggle between Chief Gatsha Buthelezi's Inkatha movement and the MDM has reached epidemic proportions.

Small solace that the primary culprit here is the brutal Buthelezi himself, whose grim offensive to protect his Kwazulu turf against the surging popular movement explains so much of the so-called "black on black" violence that now captures the headlines coming out of South Africa. Legatee of the ethnically-defined Bantustan structure by which the apartheid government has sought to divide and rule in the past, Buthelezi's continuing prominence helps to service precisely that government's attempt to carry over such tactics into the negotiation phase. In addition, the violence also helps blur the image of the rightfulness of the on-going democratic struggle itself.

Despite the importance it attaches to unity the ANC can have no illusions about its ability to bring together behind its project all black South Africans (let alone all South Africans). There are, after all, minority tendencies even within the anti-apartheid ranks who cannot be reconciled to any form of negotiation. But the manner of neutralizing a Buthelezi will pose a particularly difficult challenge for some time to come. Would Buthelezi's price tag include the ANC's conceding the recycling of the Bantustans within some new kind of quasi-federal system? This is but one of the complexities that will be part and parcel of the high politics of negotiations in the next round.

Hovering behind all of this is the central fact relevant to these negotiations that has already been mentioned: the narrowness of the government's own agenda as it enters into them. Moreover, the ANC will find itself under other kinds of pres-

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sure to be "reasonable" in its practice of negotiations and in its substantive demands. This pressure will come from influential corners of the international community, and from liberal South African whites who urge the wisdom, persuasive up to a point, of not alienating prospective white allies. Such thinking will also find echoes in the world press, with Toronto's *Globe and Mail* perhaps serving as one straw in the wind in this respect. Witness, for example, *Globe* correspondent Michael Valpy's recent bland comparison (April 19, 1990) of South Africa's constitutional scheming with Sir John A. MacDonald's creation of the Canadian Senate and his apparently uncritical acceptance of the legitimacy of the Nationalists seeking to institutionalize the defense of "'group interests' such as language, education, property rights and cultural protection" against the "'unbridled power of majority rule.'"

It is important to affirm, then, that the ANC's own black constituency is unlikely to sit still for any major "sell-out": the acceptance of the notion of group-rights, for example, or of complex constitutional formulae designed to blunt the will of a democratic majority. This constituency will be one crucial force keeping the ANC on course in this respect. Besides, there is the ANC's own considerable integrity to be reckoned with; not surprisingly, there are few, if any, signs internal to the ANC that a give-away on these issues is in the cards.

The struggle for political democracy and against institutionalized racism continues unabated in South Africa. Yet South Africa's capitalist system is one characterized by the grossest of inequalities, inequalities that make themselves felt in racial, gender, and class terms. What about the struggle to deepen the democratic thrust in South Africa in such a way as to undermine the socio-economic inequalities that are as much a part of the developing apartheid system as legal disenfranchisement? Here, some worry, denizens of South Africa's ruling circles may hope to find it easier to counter the push of the popular movement. Here the politics of holding together a broad coalition, of neutralizing substantial proportions of the white community, of smoothing things internationally, is especially likely to encourage from the movement a postponement

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of any more radical set of policy initiatives, the kind of postponement that has often led elsewhere to their permanent disappearance from the agenda.

Yet such has been the meshing, historically, of the twin structures of racial oppression and capitalist exploitation in South Africa that large numbers within the popular movement have come to elide the two realities—and their overthrow. This is true in the townships today, and amongst the youth in particular. But a strong strand of such an understanding runs through the ANC as well. Indeed, one must see Mandela's post-release insistence on the centrality of "nationalizations" to the ANC project as itself paying homage to this aspect of the movement's historical self-identification. Perhaps the "nationalizations" formula itself can be criticized as providing all too crude a short-hand for the kind of deft socio-economic policies that will be necessary in a post-apartheid South Africa in order to keep alive an egalitarian thrust, but it indicates that a strong sense of the necessity for such a thrust remains alive amongst the ANC/MDM leadership.

Yet the source of greatest promise in South Africa is likely to be the wide-spread popular activism witnessed in the townships, on the shop floor, and in the Bantustans over the past decade. This has produced a more vibrant and assertive base there than most African nationalisms have had as they advance to power. This should prove to be some vaccination against the kind of authoritarian denouement that has too often on the continent been the aftermath of "liberation," a check even upon the ANC should that movement begin to lose sight of its own high principles as it establishes itself ever more firmly inside the country. Moreover, it is just such a push from below—from organizations of women, of workers, of the rural dispossessed—that can keep the agenda of transformation as broadly and radically defined as the socio-economic situation of South Africa demands.

Of special importance in this regard may be the left wing of the trade union movement. For example, within COSATU a significant number of unionists—the National Union of Metalworkers (NUMSA) provides a case in point—are pre-

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pared to accept ANC leadership of the democratic movement only if the union movement does keep a distinctive measure of autonomy—the better to push, now and in the future, for a distinctly socialist program. But even the most militant of NUMSA cadres are not prepared to define categorically what this kind of emphasis might ultimately mean for South Africa. Most historically available models of "socialism" now lie in tatters. And such is the stranglehold of the global capitalist economy on South Africa that common sense dictates caution even to those most committed to tempering its logic. That strong voices will continue to speak up for more egalitarian outcomes is crucially important.

Perhaps this is merely to say that the class content of the popular movement's project is now to be even more strenuously contested than its "democratic" content (insofar as this latter is narrowly and procedurally defined). To the extent that formal/legal democratization is offered up, there may be some leaders within the movement who will want to let "common sense" in the socio-economic sphere dictate a caution and a "pragmatism" of a particularly unprincipled kind. And there will be articulate spokespersons for capital—if not De Klerk himself—who will be the first to urge the logic of compromise and "reasonableness" in this sphere. Indeed, they are already at work doing so.

All the more reason why those concerned about the future of South Africa must monitor carefully this struggle within a struggle in that country. At stake is the well-being of those millions of black South Africans who stand little chance of seeing their life-situations bettered under an unalloyed and unqualified capitalist system, even one of a post-apartheid variety.

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PROMETHEUS REBOUND?

by DANIEL SINGER

> To suffer woes which Hope thinks infinite;
> To forgive wrongs darker than death or night;
> To defy Power which seems omnipotent;
> To love, and bear; to hope till Hope creates
> From its own wreck the thing it contemplates. . . .
> —Shelley, *Prometheus Unbound*

"In Russia the problem could only be posed," wrote Rosa Luxemburg, referring to the realization of socialism, "It could not be solved in Russia." I am not quoting Luxemburg because she was the only person treating the Bolshevik revolution as potentially an episode; when she wrote those lines in the summer of 1918, its hold on power was very uncertain. I mention her because she seemed more than anybody else to view revolution as a worldwide phenomenon spread over a historical period, thus involving advances and retreats, victories and defeats. This vision of seizure of power as provisional added even more importance to her emphasis on the need to stick to socialist principles in order to show an example, to prepare the ground for future fighters and coming generations. It took clever servants of our establishment a great deal of chutzpah subsequently to present that great woman revolutionary as the scourge of the Bolsheviks. In fact, even in her most critical pamphlet from which these quotations are taken,

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she hailed them for doing everything that could be done "within the limits of historical possibilities," thus saving "the honor of international socialism."[1] But she also warned Lenin and Trotsky not to make of necessity a virtue, and of the limitations dictated by circumstances an example for the movement at large. What in their case was still a minor blemish was turned into a calamity, as Stalin forged his system and imposed it on an obedient international movement as the undisputed model of socialism. An exorbitant price is still being paid for this confusion of the Stalinist nightmare with the socialist dream.

Such thoughts came to mind watching the dramatic unfolding of events in 1989. The year of the bicentennial of the French Revolution was to be celebrated as marking the burial of all radical breaks. History, as if offended, then quickened pace. Prompted by Gorbachev's *perestroika* and fed by domestic discontent, a tidal wave swept across Eastern Europe, toppling a series of regimes that were communist in name only, in Warsaw and Budapest, in Berlin and Prague. Before the year was out even Ceaucescu, the Rumanian Caligula, had left the stage with bullets in his head. We were clearly watching the twilight of a reign, the end of an era, the collapse of regimes that were the result of revolutions not only carried out from above but imported from abroad. We were also attending the final funeral of Stalinism as a system. In February 1956, in his famous "secret" indictment of Stalin, Nikita Khrushchev stunned the faithful by revealing that the corpse of their demigod was stinking. The shock was terrible. Yet it took a third of a century for the system based on this cult to be dismantled throughout the empire.

Behind these certainties lurks a question mark. For the first time it is necessary to ask whether 1917 marks the beginning of an epoch, like 1789, or whether it inaugurates a heroic but tragic experiment, the abortive search for a shortcut, and is therefore in historical terms merely a parenthesis. The problem, whatever the answer, is crucial. When the balance sheet of this era is finally drawn up, it will not be as one-sided as the assessments improvised today on the spur of the moment. The

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impact of the Soviet experiment on the outside world illustrates this complexity. There is no doubt that the identification of communism with the Russian concentration camp or with the Soviet tank contributed to the current discredit of the very idea of socialism both in the West and in Eastern Europe. But it is also true that the pioneering exploit of the Bolsheviks, the seizure of power by the workers, gave hope to millions of downtrodden throughout the world, encouraged them to resist and to rebel. Not all the subsequent revolutions were sponsored from above. Or, to take another instance, it is absurd to suggest that the foreign policy of Stalin and his epigones was driven by the desire to spread revolution and communism throughout the world. On the contrary, the international revolutionary movement was strictly subordinated to the interests of Soviet foreign policy. Yet the very existence of that policy sometimes acted as a limit on the expansion of western imperialism. (Today the Brezhnev doctrine is fortunately vanishing, but the Monroe Doctrine, in its Bush version, is alas stronger than ever.)

There are more immediate reasons why we must face up to this issue. The collapse of the East European regimes is trumpeted by the propaganda machine as final proof that socialism is unworkable. Capital hates frontiers that limit its field of action. It now eyes with growing appetite both Eastern Europe and the Soviet Union as territory to swallow in order to both expand its rule and extend its survival. This, however, is the potential prize for tomorrow. Meanwhile, there are ideological benefits to be gathered. Francis Fukuyama, the poor man's Hegel, describing capitalism as the culmination of history was only part of a vast chorus singing the vanity of any attempt to get rid of the prevailing system.

However noisy, this propaganda can actually be countered quite easily. To die you must have lived, and what we have known so far is really inexisting socialism. Besides, the prophets now announcing the final death of socialism are the very same who only yesterday, with equal conviction, spoke of the immutability of "totalitarian communism," the hell from which there was and there could be no exit. The Fukuyamas can also be reminded that they are saying what the servants of the ruling

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system have always proclaimed, namely that history did exist but has come to an end with the victory of their masters. Yet before scoring debating points, itself quite a useful exercise, we must ourselves grasp what is really collapsing on the eastern front, ask why it is falling to pieces, and guess what is likely to be put in its place.

The "original sin" and its consequences

To seize the tragic dimension of the Soviet Revolution it is indispensable to go back to the "original sin," if one may use such a religious term, of its inception, to the contrast between the Marxist design conceived for the advanced capitalist countries of Western Europe and its application to backward Mother Russia, to the "proletarian revolution" carried out in a land where the working class, shrunk by civil war, was surrounded by a huge peasant sea. Russia was supposed to be only the "weakest link" in the chain. The center of gravity was to shift to Germany and beyond as the revolution spread westward. But the revolution failed to spread. The Bolsheviks could either surrender, or they could cling to power hoping their isolation would prove temporary.[2] In that case, in the meantime they had to carry out by themselves their country's unaccomplished task, its industrial revolution. Isolated, surrounded by enemies, the Soviet Union had to achieve within a decade—because the danger was immediate—what in the West had taken over a century with the help of colonial plunder and ruthless uprooting of the peasantry. The highly contradictory term, "primitive socialist accumulation," coined by Vladimir Smirnov and elaborated by Yevgenii Preobrazhensky, sums up the terrible, completely-unexpected task thrust on the revolution's agenda.[3]

Barbarism, as Lenin put it even more bluntly, had to be uprooted in Russia by barbarian means. Does this mean that only a Georgian tyrant could fulfill this function? Personally, I am not convinced that Stalinism, with its concentration camps and its Byzantine cult of the leader, was inevitable in the circumstances. This, however, is not the place for a complex discussion of this subject. For the sake of our argument only two

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points have to be made. The first is that the system did fulfill its role for a time and in its own fashion. It turned peasants into workers, spread skills and education. The crude economic command from above did function as long as the "planning" was mainly concerned with the coordination of a limited number of huge plants. The industrialization at breakneck speed provided the Soviet Union with the guns, tanks, and planes thanks to which the Red Army was able to resist the German invasion and then liberate Europe from the Nazis.

The counterpoint is that this process of development, hardly the most efficient, had very little to do with socialism. It was not a case of capitalism being superseded because it had reached its full potential. The Soviet peasants did not join collective farms because the private ones had got beyond the point of highest efficiency; they were driven into the *kolkhozy* by a bloody collectivization. The Bolsheviks did not inherit a complex industry which required planning for coherent growth; they had to build an industry almost from scratch using methods borrowed from F.W. Taylor. Altogether, either in economic or political terms, the ruthless mechanism of command *from above* had nothing in common with Marx's vision of freely associated producers gaining mastery over their labor and leisure, that is to say, over their lives. But this strange product of unexpected circumstances was painted as the workers' paradise and imposed as a model for the world at large. The more or less necessary evils were hailed as virtues. Worst of all, friends and foes alike seemed agreed that what was being forged in the Soviet Union was socialism.

However, Stalinism too contained the seeds of its own destruction. The political system designed for uprooted and half-illiterate *muzhiks* became increasingly obsolete as the population grew more urban and better educated. An economy more complex and more sophisticated rendered the crude dictation from the top and from the center counterproductive. By mid-century, the whole structure was held together only by the conditioned reflexes of an aging dictator, and in 1953 his successors were faced with the need for a complete overhaul. Though their problem was immense, the basic question could

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be worded rather simply: how do you make people work if you wish to get rid of a system of coercion based fundamentally on the fear of the concentration camp coupled with moral exhortations and do not wish to replace it by the capitalist system of coercion based on the fear of unemployment linked with the dazzling tyranny of the market?

A socialist answer to this question required in Russia nothing less than a democratic revolution. Democratic relations were needed on the shop floor, giving the working people a real say in the organization of their own work and the general division of labor, if the slogan about "our factories" was to cease to be a hypocritical metaphor. But this was not enough. Democracy had to be spread, or rather invented, at all levels of the country's life so that planning, the need for which would not vanish, could cease to be an alien dictation and become the self-management of a society seeking to master its own destiny. These major questions, which have not yet been tackled, let alone solved, by Gorbachev's *perestroika*, could not even be raised by Stalin's epigones.

Nikita Khrushchev, half-peasant, half-townsman, and as such a symbol of the Soviet Union in transition, did show a striking awareness of the need for radical change. However, he chose a constituency—the party apparatus—utterly unsuited to this task. The *apparatchiks* saw nothing wrong with the inherited system except Stalin's propensity to purge his own faithful servants (his bloody way to prevent the crystallization of a ruling class). What they wanted was Stalinism plus security of tenure. Even Khrushchev's haphazard half-measures were too much for them, and they toppled him when the reforms seemed to threaten their position. The man they picked to replace him, Leonid Brezhnev, made the unwritten pledge never to endanger the interests of the privileged. He kept his word and his job for 18 years. The political price paid for this unexpected longevity was what is now known as the age of stagnation. All important reforms were shelved. After a time Brezhnev also reached a truce with the working class: you don't mix in politics and we shall not drive you too fast on the assembly lines. The inevitable happened. The Soviet economy

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slackened its pace. The returns on investment diminished. Housing and the welfare state were squeezed in the process. But if the economy came almost to a halt, society kept on changing, with peasants moving to town, with less frightened and much better educated generations entering the labor market. They had been promised "goulash socialism" and were getting neither. The potentially explosive mixture of economic stagnation and social discontent could not last. The *apparatchiks* showed their resistance to change by selecting the decrepit Konstantin Chernenko as a stopgap leader. By 1985 they had to resign themselves to Mikhail Gorbachev and radical reforms. But before we tackle *perestroika*, we must have a glance at the area where its results were to be most spectacular in 1989, at the empire Stalin acquired, not in any fit of absentmindedness, but in the struggle for survival against the Nazis.

"Socialism" in a Single Bloc

By one of those ironies of which history is apparently fond, Joseph Stalin, champion of "socialism in a single country," spread his version of socialism to the east bank of the Elbe. At first he saw the conquered land as merely a protective glacis. (Otherwise, punitive reparations against East Germany, a future partner, would not have made sense.) He then decided to reshape it in Russia's image. Thus Stalin's armies, like Napoleon's, altered the social order in the countries they crossed. Throughout Eastern and Central Europe they eliminated factory owners and uprooted landlords. This was their revolutionary heritage and, whatever may be written today, their progressive function.

Unfortunately it was linked with less progressive features. The revolution was an imported product, and by this very nature had not been carried out by the people but imposed on them from above. Later the split of the world into two blocs, with the ensuing separation from the international division of labor, was a serious drawback, particularly for more industrialized countries like Czechoslovakia. This third handicap might have been more than compensated by the advantages of an

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alternative system, if the imposed model were not the Stalinist one which, in political terms, meant one-party dictatorship, police repression, and Moscow-like trials, and was economically obsolete from the very start.

Naturally, things did not look quite as bad at the time as they do now in the hour of bankruptcy proceedings. Though imported, the regime was not always unwelcome. Pro-Russian feelings were strong in, say, Bulgaria, and Czechoslovakia had deep left-wing traditions. Even in Hungary or Poland, where hostility was greater, the memories of the pre-war regimes, of their failures and their injustices, were sufficiently fresh for quite a number of people, particularly young intellectuals, to greet a new regime promising a radical break with the past (some of these early enthusiasts are today lecturing on the evils of socialism in western, particularly American, universities). But all over Eastern Europe, the story of the last forty-five years has been one of missed opportunities and broken illusions.

The effects of the failure of Stalin's successors to reshape his heritage spread beyond Soviet frontiers. The year 1956 was probably the last moment of great expectations throughout the area. In Poland's "Spring in October," the hopes were provisionally confirmed as the (once imprisoned) Wladyslaw Gomulka returned to office. But the limits of change were at once written in blood by the Soviet troops crushing the Hungarian insurrection. Nevertheless, the "revisionists," those thinking that the regimes were fundamentally right though in need of radical reform, could still cling to their belief for a time, even if the redundant name given to their next project, the Czech "socialism with a human face," showed how much the very idea was now in need of qualification. And, in 1968, the Soviet tanks entering Prague put an end to a whole period. The Polish workers who climbed on the stage next were not talking of reforming the regime but of changing it.

Indeed, instead of widening, the social base of these regimes kept on shrinking. Stalin and the iron fist provided a myth, and for a time there were still many believers. Khrushchev replaced the ideology by the promise of a new deal for the consumer. Brezhnev had nothing to offer. The health and

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education services open to all, the prospect of social advancement for children of workers and peasants, all yesterday's attractions, were falling victims of stagnation. "Socialism" no longer meant only the Soviet tank and repression. For millions it also stood for economic backwardness. The prewar past was now sufficiently distant to be idealized for the new generations, and the West sufficiently dazzling to be perceived as a cornucopia. Propped up only by the fear of Soviet intervention, the ruling Communist parties were ready for history's broom.

The case of Poland, often a pioneer of change, shows how the movement first turned against the regime and then swung to the right, two trends that should not be confused. The illusion that Gomulka would radically reform the system did not last. By 1970, Poland's workers won from their "workers' state" in bloody battle the right to veto the government's policy on consumer prices. Six years later, as the Party vainly tried to abolish that veto, a small band of intellectuals came to the rescue of the battered workers. This alliance was reenacted in that glorious summer of 1980, when the intellectuals offered to serve the workers who were asserting the then unprecedented right to form an independent union. The victorious workers were no lovers of "really existing socialism" but, in very Marxist fashion, they presented their own interests as "the superior interests of society as a whole." And the year after, Solidarity, their union, was talking in terms of self-management both in the factories and the country at large. Indeed, the vague project of a new parliament, with a lower house in which the Communist Party still had a guaranteed majority, and a senate representing workers' councils and other forms of *autogestion*, was probably the last chance of transition in a noncapitalist direction. The CP chose otherwise. It was ready to make a deal with the Catholic Church, but not with the workers. It opted for the military coup that crushed the labor movement—not badly enough to impose an economic reform, and this is why it had to resign itself to new talks within a decade, but sufficiently to alter the balance of forces within Solidarity. In 1989, when it came to the new historical compromise and the transfer of power, the intelligentsia was in charge

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and the proletariat was part of the electoral fodder. And the resulting government had dropped its vision of workers' democracy for the sake of the monetarist vision of Milton Friedman.

When one comes to study carefully the sweep and speed of this metamorphosis, all sorts of factors will have to be taken into account, and the circumstance that during its years underground Solidarity was helped by American money (channeled through the AFL-CIO) is not to be neglected. But the real reasons are much deeper. Actually, the strong western emphasis on the immediate conversion to capitalism, as we shall see, came only later. To understand why a Tadeusz Mazowiecki, once a progressive Catholic trying to reconcile Socialism with Christianity, becomes a prime minister who presides over Thatcherite privatization, or why a Vaclav Havel, who a few years ago described himself vaguely as a socialist, no longer does so today, one must keep in mind the extraordinary change in the ideological climate. The bankruptcy of the command economy has been interpreted as that of democratic planning, the fiasco of neo-Stalinism as the funeral of socialism, and the failure of a Mitterrand to build something different as the final proof of the absence of any radical alternative. To talk of "the end of ideology" is as absurd today as it ever was. What we have been witnessing for some years now is the ideological hegemony of the capitalist gospel. But I am running ahead of the story. Mazowiecki's premiership, Havel's presidency, or the crumbling of the Berlin wall for that matter, were inconceivable without the crucial shifts in Moscow.

The Center and the Periphery

Mikhail Gorbachev was accepted by his peers because the economic stagnation had reached the point of potential political explosion. Though himself a member of the ruling group, he belonged to the fraction pleading that a radical reform had become inevitable. He also understood, unlike the Chinese and unlike so many Western advisers now suffering from amnesia, that to reform the economy it is necessary to proceed with a deep political transformation. If he may not have known from the start how far this would take him, he has shown a great

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capacity to sail forward with each new tide. Thus in its first years *perestroika* offered the exhilarating experience of a country awakening from its slumber, recovering its memory and its voice, of a people learning to debate, to choose between various versions and different candidates. As books were published, plays staged, films shown that had no chance of being produced a few years earlier, as newspapers changed their nature and television its coverage, the Soviet Union became an altogether different country. All these freedoms of speech or assembly, it will be objected, are merely the bourgeois revolution come to Russia two centuries late. But freedoms are no less precious because they were originally bourgeois, and they change content, raising new issues, in a country where private ownership of the means of production was eliminated.

It is in economics that the *perestroika* has so far failed to produce results. It was supposed to alter the system entirely, shifting it from a command mechanism to some form of market economy. According to its critics, up to now it has begotten the worst of both systems. The main reason for this failure is that the leadership does not really know where and how far it wants to go, and this brings us back to politics. In Stalin's time all social forces were reduced to obedient silence. Under Brezhnev the premise was that interests would neither be hurt nor expressed. It is only now that the interests of the various classes and social groups begin to crystallize and seek political expression. The most articulate grouping, and a pioneer of *perestroika*, is the potential *priviligentsia*, the managers, economists, and all sorts of other professionals, whose numbers have grown and who want to have more say in running the factories and the rest of the country. They want the market, big income differentials, incentives involving different standards of housing, health, and education for the successful. Contrary to legend, they are not for introducing privileges into an allegedly egalitarian society. They are for shifting privileges and power from the obedient *apparatchiks* to the dynamic managers, from the *nomenklatura* to what they would describe as the meritocracy. Are they not perturbed by the prospect of where the logic of the market might lead? The lessons of Eastern Europe have induced them

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to urge that the process of reform be speeded up and not slowed down or altered.

These developments have also led to a divorce between Gorbachev and some of his original supporters, based on political rather than philosophical grounds. Mikhail Gorbachev has too sure a grasp of Soviet realities to believe that he can win backed simply by a section of the *intelligentsia*. He has always known that to break the resistance of the bureaucracy he needs the support of the workers, whose interests are threatened by the reform. The idea of having managers elected by the staff, which has not got very far, was conceived as a stratagem to gain their sympathy. Above all he realizes that in a country affected by shortages, the prospect of unemployment, of ostentatious social differences, and the current resentment against private speculators, (barely disguised under the cooperative label), may well allow the conservatives to mobilize, pretending not to defend their own interests but those of the country's downtrodden.

In the ambiguous controversy over economic reform one voice is still too faint, that of the socialist opposition—trying to reconcile the workers with a good part of the *intelligentsia*, admitting the need for incentives yet setting them in an egalitarian perspective, defending planning while attacking the bureaucracy—all this by a movement from below, by spreading democracy well beyond the bounds conceived by Gorbachev and his reformist critics, through self-management on the shop floor leading to self-government on the national scale. Only such an attempt to answer questions facing society since Stalin's death can, in my opinion, provide a solution to Russia's predicament, and, possibly, preserve the Soviet Union as an entity.

That the Union should now be threatened is Gorbachev's heritage, not his accomplishment. The *perestroika* merely released the accumulated tensions and *glasnost* revealed them to the world. It does not betray one's belief in democracy to observe that when the lid was finally lifted all the smell that surfaced was not Chanel No. 5. There also came a stench of prejudice, jingoism, anti-Semitic hatred, an odor that spread well beyond the allegedly patriotic *Pamyat* society. Old ghosts

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are being joined by new monsters, and this is not surprising, the irrationality of the government having abetted the forces of unreason in the society at large. In particular, the Great Russian chauvinism, encouraged by the Georgian tyrant, stimulated nationalism in the republics and prevented it from finding a natural outlet. Now the regime is faced not only with the reasonable aspirations towards autonomy but also with atavistic hatreds and medieval passions. The Union will not be kept together without a renewed community of interests cemented by some form of ideological cohesion.

In this short survey I have purposely excluded foreign policy—where Gorbachev has scored serious successes and altered the international equation—except as far as it affects the Soviet bloc in Europe, that is to say tremendously. For years all the protest movements in Eastern Europe knew that there was a Rubicon, crossing which would provoke a Soviet intervention, and all the achievements at the periphery were fragile as long as reform was not consolidated at the center. *Perestroika* changed all that. When Mikhail Gorbachev dropped the Brezhnev doctrine, or at least its provision that members of the Warsaw Pact could not alter the prevailing social order, he signed the death warrant for regimes which, by then, were only resting on the threat of Soviet intervention. He can thus be described as the stage manager of the revolutionary events of 1989. If he did not necessarily desire the outcome nor set the exact timetable, we now know that he did accept well in advance the Soviet retreat from Eastern Europe.[4]

Quite naturally, the countries of imported revolution have gone much further in their restoration than Russia. Here the ghosts from the past seem to have taken over the whole stage. Though the revival of capitalism is for tomorrow, all the prewar parties are being resurrected without paying much attention to the intervening social changes (such as the reduced role of the peasantry). Actually, the new governments in Budapest, Prague, and Warsaw, including Communists in senior or junior positions, act as if they wanted to wipe out half a century and recover their prewar position in Europe, forgetting that except for the Czechs they were then very poor relations. Contrary to

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some of their expectations, the East Europeans will not be offered the choice between social-democratic Sweden and Thatcherite Britain. Their comparative rank will be closer to that of Mexico or Bolivia. The new rulers are not deterred. Will they be followed? The people of Eastern Europe have shown with their feet and their ballots what they do not want. They still have to determine what they wish to put in its place.

Open frontiers and restoration

When regimes tumble every week, it is presumptuous or foolish to forecast the course of events in the months to come. But one can venture hypotheses about deeper trends. This is the sense in which I want to suggest that all the countries of Eastern Europe, including Russia, will first move in a capitalist direction. This concept, however, has to be defined. The existence of a market does not mean a return to capitalism. Any transition to a socialism worthy of the name will take time and involve a long period with a mixed economy. The search for a proper yardstick or incentives does not mean capitalism either. What is at stake is the general sense of direction. Is the economy moving towards a system in which production, consumption, and investment will be shaped by the conscious will of society, or towards one in which the main outlines of the economy will be determined by profit-oriented forces of the market? I suggest that Eastern Europe will be moving toward the latter if it proceeds with its intention to open up its frontiers, accept full convertibility of its currencies, and recover its place in the international division of labor.

When the Bolsheviks introduced their monopoly of foreign trade, they knew that their departure from the international division would be costly. But this was the price they had to pay, as Preobrazhensky put it, to dissociate their "private economy from the world private economy towards which it was tending."[5] The hope was that as the revolution spread to more advanced capitalist countries, the damage would be limited. Then Stalin invented the theory of "socialism in one country" and coined the slogan: "To catch up with and overtake America." But though he spread his regime up to the Elbe, he did not

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produce an alternative society, and though Russia began by closing the gap, it still lies far behind. Indeed, the frontiers are being opened at the worst moment, after a period of stagnation. Knowing the tendency of the capitalist market to remove obstacles and the prevailing discrepancy in productivity or technological know-how, the outcome of an open contest is beyond doubt.

A bridgehead, however, should not be confused with a successful invasion, and here one must draw quantitative differences between the various countries of Eastern Europe and a qualitative one between them and the Soviet Union. All these post-revolutionary states, while nowhere forging a socialist society, had nationalized the means of production. They are now faced with the unprecedented task of privatizing not a plant or an industry but the bulk of the economy. The Poles have opted for a shortcut to capitalism, on which you can break your political neck. The Czechs, whose crisis is less acute, are proceeding more slowly; even their monetarism is supposed to have a human face. Yet in all these countries where socialism is now perceived as an alien imposition and the leaders of the conversion as yesterday's resisters, capitalism will have to show its seamy side—the unemployment, the yawning gap between rich and poor—for an entirely new left to emerge. In the Soviet Union the turning point may come at an earlier stage.

Whether the resistance will be successful is another matter. These regimes are more complicated than they are now being described. They preached one thing and practiced another. This gap between promise and fulfillment greatly contributed to the political apathy and cynicism. Yet the socialist ideal, in some curious fashion, also managed to sink in. Eastern technocrats, who (whether they still hold a party card or not) sound like Harvard Business School graduates, have joined the International Monetary Fund and bitterly complain about their worst handicap—the egalitarianism and thirst for social justice of their populations. It remains to be seen whether the quite understandable resentment against "really existing socialism" will prove stronger and more lasting than the socialist unconscious. All that can be said for the moment is that this is

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the beginning of a long conflict, that the main confrontation will take place in the Soviet center, not at the periphery, and that only early in the next millenium will it be possible to answer the crucial question at the heart of this essay: Was 1917 the beginning of a heroic yet tragic diversion ending in capitalism or was the revolution, though premature and then perverted, a positive step on humanity's road toward mastery over its own fate?

The abuses and uses of the Eastern question

Even this bird's-eye view of the Eastern scene shows how its dramatic metamorphosis is vital for the Western world, both for our rulers and for parties and people who consider themselves progressive. For the capitalist establishment, Eastern Europe offers a tantalizing prize and its members have descended upon it like vultures. Special envoys of the IMF and the World Bank, of the European Commission and the OECD, prepare the ground. Bankers, industrialists, ministers, and presidents, the German Chancellor and the Japanese Prime Minister follow with their checkbooks and the common query—"What's in it for me?" Liberty and democracy have been quickly translated into freedom to sell and then export profits. Incidentally, "socialist market" has proved a short-lived craze, both East and West now apparently only interested in the noun. To those who, in keeping with common East-West fashion, claim that there is no need to mention democracy in the same breath as the market because the former is by definition inseparable from the latter, one is tempted to reply they should preach their sermon in Johannesburg. Actually, because it will be difficult to push the "market economy" down the throat of a surprised population, voices are already raised suggesting "special powers" in Poland and "authoritarian rule" in Russia, on the grounds that the market must come first and democracy will follow after. The invasion has begun. Whether the capitalist conquest will succeed is still uncertain.

The ideological dividends, on the other hand, are already being collected and have been for some time. In the mid-1970s, when a deep capitalist economic crisis followed student pro-

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tests, the system felt threatened. The *gulag* campaign—the discovery by latter-day Christopher Columbuses, the *nouveaux philosophes,* of Soviet concentration camps—came to the rescue. Describing the search for any radical solution as leading inevitably to a totalitarian dead-end, it helped capitalism to survive, to break the resistance of the labor movement, and to reassert its ideological domination. The reactionary trends in the two halves of Europe fed one another. This helped the rightward swing in the East, and the tide has now gathered much momentum. The ambition today is to break the Promethean spirit altogether, to destroy the belief in a radical alternative. It is no longer "totalitarian communism," it is capitalism, whether you like it or not, which is being presented as a system from which there can be no exit, since it marks the end of history.

This line of the establishment, carried with Eastern help and mass mobilization of the media, dictates the strategy of the left. We no longer need to defend in Eastern Europe the right of expression of people with whom we disagree; many former victims are now in the corridors of power. We can pick and choose our allies, broadly where latter-day Black Hundreds or neo-Nazis are a serious threat, more selectively when we seek partners to struggle together for a socialist resurrection. It may be objected that at least to begin with there will not be many candidates for that struggle in Eastern Europe. Undoubtedly. But we can help to shorten that period in many ways by reminding, for instance, the East Europeans who look at their prewar past through rosy spectacles of its real color, recalling Admiral Horthy for the Hungarians, Marshal Pilsudski for the Poles, reacting against the new Russian myth that the left-wing critics of Stalin were as bad or worse than the dictator. Yet our main task is obvious. It is human and natural for East Europeans, who waste hours standing in line or otherwise chasing scarce goods to be dazzled by our glittering city lights and our tempting shopping centers; for people who had to deal with a stupid censorship to be thrilled by our freedom of expression at once real and apparent. But we must show them the seamy side of our societies.

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This is our duty to our Eastern friends, but also to ourselves, because of the damage wrought here by the huge propaganda machine. We must restate some fundamental truths about our system. Our inability to organize society to the best advantage of its population is such that we turn even our technological genius into a handicap: higher productivity leads to bigger unemployment. Shocking discrepancies between the haves and the have-nots are not the only feature of this increasingly two-tier society. Its prosperity rests on the poverty and exploitation of the rest of the world. We are unable to insert our economy into its natural environment and can only deal with pollution *ex post facto* so as to provide room for profit once again. Our alienated and alienating society has made little progress towards the equality of sexes, but has shown a peculiar talent for commercializing culture, for turning everything into merchandise. These are only some of the points which must be expanded to draw a genuine picture of really existing capitalism.

Only dinosaurs, the post-moderns on both sides of the Elbe will object, can use such antediluvian concepts as capitalism or socialism. If you wish to be up to date the operating terms are "rule-of-law," the "law abiding state," the "Rights of Man," in short the vocabulary of democracy. So let us take them at their word. Democracy is crucial for a socialist. Though Russia should never have been our model, nor any other place for that matter, it would be foolish to deny the heritage and refuse to learn from bitter experience. Rosa Luxemburg was prophetic when she pleaded for the "active, untrammelled, energetic political life of the broadest masses of the people" and warned that "without general elections, without unrestricted freedom of press and assembly, without a free struggle of opinion, life dies out in every public institution, becomes a mere semblance of life, in which only the bureaucracy remains as the active element."[6] The most important lesson from the Soviet past is that when people are deprived of say over their lives however temporarily and for however justifiable reasons, they will find it extremely difficult to recover their rights, and the price paid for this allegedly temporary exception

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proves prohibitive and long lasting. This is an additional reason why democracy must figure at the very heart of any revived socialist project.

But it must be real democracy and not the empty phraseology of our trend-setters. When an American on the minimum wage has to work 79,000 years to earn as much—$550 million—as Michael Milken did in 1987, to say one person, one vote and leave it at that is shockingly superficial. When the Berlusconis, Bertelsmans, and other Murdochs are extending their mediatic stranglehold over the whole globe, to talk of freedom of expression as if these tycoons were not "more equal" than any Tom, Hans, or Giovanni is hypocritical. And to add that the property of the Puerto Rican immigrant is protected in New York as well as that of Donald Trump is to reveal the class nature of this society and of its preachers. Genuine socialists were never against basic freedoms because these were *bourgeois*. They have always, as the words of Luxemburg testify, "revealed the hard kernel of social inequality and lack of freedom hidden under the sweet shell of formal equality and freedom," not to abolish democracy, but on the contrary to fill it with social content. This is the terrain on which common struggle must soon be resumed in Europe, across the fast-vanishing divide.

The main message from Eastern Europe is not the one frenetically drummed by the media. It is that when institutions do not correspond to needs, sooner or later they must yield; that people inspired by an idea can bring down walls; in other words, that radical transformation is possible. The philosophers from the State Department, Rand, and other corporations know better than they pretend. Their incantation about the end of history is merely designed to gain time for their masters. They know that a system torn by contradictions like capitalism, unless it first blows up the planet or poisons it through pollution, will also collapse in its turn. How soon? Admittedly it is now necessary to ask whether capitalism, universal in its aspiration like socialism, will invade the whole world before it leaves the historical stage. This is but another way of asking whether capitalism's grave-diggers will come

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from the West or, after all and despite everything that is happening, from the East.

The time factor, however, is not without influence on our own mood. The 37 years that have elapsed since Stalin's death are for the historian but a brief spell. For us they mark the passage from youth to nearly old age. It is in this contrast between historical perspective and humanity's natural political impatience that lies the reason why, in moments of despondency, when broken illusions, wasted lives, bloody sacrifices are vividly seen behind a shattered political model, one begins to doubt for a while, though only for a while, whether hope will ever create "from its own wreck the thing it contemplates."

NOTES

1. Rosa Luxemburg; *The Russian Revolution and Leninism or Marxism.* (Ann Arbor: University of Michigan Press, 1961), p. 80.
2. Personally I think that for a socialist there are no taboos dealing with the Soviet regime. But his or her judgment must assess the event in its historical context; draw a distinction between the early years and the Stalin era; and take into account the consequences of possible defeat and of surrender of power not to other left-wing groups but to the forces of reaction.
3. See Yevgenii Preobrazhensky; *The New Economics* (Oxford: Clarendon Press, 1965); Also Alexander Erlich; *The Soviet Industrialisation Debate*, 1924–28. (Cambridge: Harvard University Press, 1960).
4. Karoly Grosz, leader of the Hungarian Communist Party at the time, has confirmed that in the spring of 1988 Mikhail Gorbachev had agreed in principle to a total withdrawal of Soviet troops (*International Herald Tribune* 23 January 1990). Hungary, with no NATO frontier, was a simpler case than, say, Czechoslovakia. Yet the only real problem is presented by the German Democratic Republic, where the quickening of the process of reunification could still spoil Gorbachev's East European gamble.
5. Preobrazhensky, *The New Economics.*
6. Luxemburg, p. 71.

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IS SOCIALISM STILL AN ALTERNATIVE FOR THE THIRD WORLD?

by CARLOS M. VILAS

To ask at the present moment whether socialism is a real prospect for Third World countries may seem an extravagant question, an outlandish question, even an anachronistic question. For more than a year what was once known as the "socialist bloc" has hardly existed, and many of the countries that belonged to it now seem hell-bent on integrating themselves into the capitalist world. Of course, it may be argued that they were not truly socialist. But there is no universally agreed upon definition of "genuine" socialism, and for more than half a century both of the superpowers have tried to convince the international public that what existed in the Soviet Union and Eastern Europe was in fact socialism.

In addition, there are no great differences among the ways the current economic crisis is being faced by the socialist, national liberation, and capitalist regimes in the Third World or the governments of Eastern Europe. All of them pursue the "adjustment policies" favored by the International Monetary Fund (IMF) and the World Bank, move toward privatization and dismantling of government controls, emphasize market relations and incentives, promote exports to the detriment of domestic use, and cut subsidies for mass consumption. Nor are there large or relevant differences in the outcomes of these

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policies: rising unemployment, recession, a drastic fall in basic consumption, deterioration of education, health, and welfare, social unrest, and political instability.

Yet international comparisons still favor the Third World socialist regimes relative to their capitalist neighbors. Standard indicators of poverty and underdevelopment are much higher in India than in China, despite the recent market-oriented reforms in the latter that have led to retreats from previous achievements. In any case, famine is a nightmare of the past for China, but an everyday occurrence for millions of Indians. Closer to home, during the so-called lost decade for Latin American development, the 1980s, the gross domestic product per capita in Cuba grew by about 33 percent, while it fell by about 8 percent in the rest of Latin America. Moreover, in Cuba the high rate of economic growth was accompanied by rising indicators of social development and welfare, and by a progressive trend in the distribution of income.[1] From this perspective, it may be said that although socialism is facing profound crisis, capitalism—whether flowering or in crisis—has been unable to handle the economic, social, and cultural problems of impoverishment, oppression, and marginalization of the rapidly-growing populations of what were once called developing societies.

Very broadly speaking, socialism in the Soviet Union and Eastern Europe, and to a lesser extent elsewhere, has been successful in three main economic tasks: (1) superseding precapitalist remnants in the rural world; (2) promoting fast industrialization and in so doing introducing greater complexity, diversification, and integration into the socioeconomic structure; and (3) satisfying the basic needs of the masses for nutrition, health care, education, stable employment, and (to a modest extent) housing. But socialism has experienced enormous difficulty in moving toward more advanced stages: from extensive to intensive development, from the satisfaction of basic needs to the satisfaction of more advanced and sophisticated ones. Moreover, insistence on a type of development that has already been exhausted and on the institutional network associated with it has tended to translate into stagnation, a

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general deterioration of conditions and standards of living, dissatisfaction of the people, and political tensions.[2]

At bottom these are consequences of the very development of centrally-planned economies and of success in the achievement of goals in previous stages. Improvements in education, advances in industrialization, urbanization, and the like transform the demands of younger generations and define sharp contradictions with political institutions and ruling groups. The agrarian societies of the initial stages of socialism have been transformed at a strikingly fast pace into highly urbanized and technologically advanced societies, with sociological and demographic profiles not very different from those of urban, industrial capitalist societies. Transformation of relations of production, expansion of education and social services, and modern technologies have changed the rural landscape as well, and turned illiterate peasants of yesterday into modern producers and citizens. The achievement of full employment, high participation of women in the labor force, decreasing population growth, and modernization of the means of production exhaust the possibilities of extensive development, and force a move toward technology-intensive development.

After 30 or 40 years of state socialism in the East, the banner of free education and health care for all is no longer an exciting one, and official reminders of the evils of capitalism are no longer an effective tool for mobilization. No one worries about the evils of capitalism; on the contrary, the things people know about capitalism are usually its flashiest aspects. Moreover, free education and health care belong to the natural order of life for generations of people who have grown up in the socialist world. The children and grandchildren of state socialism, who have more education and higher aspirations than their forebears, who have not had to undergo war, famine, and reconstruction to get what they have, are now demanding other kinds of achievements. They want broad and free political participation, cultural alternatives, differentiated consumption, access to information—in brief, their right to be different and to have a say in the design of a different and better socialist world. The refusal of the ruling groups, entrenched in their

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privileges, to accept these demands for participation and for the right to be socialist in a different way diverts the new generation, first towards cynicism, depoliticization, and apathy, then towards the search for non-socialist alternatives.

The demands stemming from this new situation, the collisions with the highly centralized and bureaucratized state institutions and political systems, with the perennial and aged leaderships that cannot keep pace with the new social, economic, and political developments, give birth to the now-familiar features of protest movements and upheavals in the East: young people versus their elders, workers and consumers versus the managers, social movements versus the party, civil society versus the state.

In the early stages of nearly all socialist societies, the new governments have had to face backwardness, widespread destruction, and counterrevolutionary wars by the former ruling classes and their allies. External pressures, backwardness, lack of infrastructure, inadequately-trained personnel, concentration of developed resources in a small portion of the country, and the urgency of socioeconomic transformation and political consolidation all conspire to drive the new regime to build highly centralized administrative institutions and pervasive bureaucracies, to decrease the dispersion of political participation in the name of "efficiency," and to substitute "government on behalf of the interests of the workers" for government by the workers themselves.

The concentration of social and economic power in the hands of the socialist state has shown particular strength in societies where state building and tight control over the territory and the people had reached relatively high levels in prerevolutionary times—as in the autocratic empires of Russia and China, and their surrounding regions. After the revolutionary seizure of state power in these countries, the centralization and bureaucratization of administrative power structures in some cases have contributed to advances on the road to development and economic modernization. The industrialization of the USSR and the development of agriculture in China are outstanding cases in point. At the very beginning restric-

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tions on mass participation were presented as temporary compromises necessitated by the lack of alternatives. Discipline, not democracy, was the name of the game.[3] But with time and inertia, the lack of direct participation hardened into an integral part of the new system. The state/party displaced and then subordinated the masses, and turned their unions, cooperatives, and other organizations into apparatuses. It transformed itself into the official emblem of the revolution and of socialism; government on behalf of the workers' interests turned into the regime of officials; the primacy of the plan became the primacy of the planners; and the defense of the revolution became the rule of the state security apparatuses. The increasing divorce of political power from its popular base and the accelerating rigidity and verticality of institutions generated the conditions for sinecures, personalism, nepotism, ritualism, and corruption to develop. A wall of secrecy, untouchability, and infallibility encircled the state/party and those who conducted it as their private property, preventing and repressing criticism and renewal, creating virtual bureaucratic monarchies.

These authoritarian regimes survived the objective conditions that made them possible, and not only sacrificed democracy but inhibited subsequent economic development. Overcentralization and bureaucratization, and the ineluctable effects of time upon the ruling groups, brought an accumulation of tensions and contradictions that first exploded in the economic realm and then expanded over the entire social and political system.

The industrial economy piled one inefficiency upon another and lost any chance to be competitive in external markets. By the mid 1980s labor productivity in Soviet manufacturing was almost 45 percent below that in the United States.[4] Bureaucracies are always very sensitive on this issue, and their sensitivity explains the economic reforms from above to modernize and make production more efficient—including an expansion of trade with capitalist countries and an increasing demand for western technologies and equipment. On the domestic side, reforms consisted of the introduction and delegation of autonomy to enterprises and managers, price reforms and reducing or

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eliminating subsidies, and the implementation of many other features of the market economy: greater social inequality, frustration of popular expectations, heavier pressure on labor, unemployment, inflationary tensions, cuts in basic consumption, and the like.[5]

People's responses to these reforms followed two main paths. On the one hand, they demanded that reforms not be confined to the economic field, but rather that they be expanded toward the political realm: participation, leadership, renewal, political competition—that is, to extend the market principle from economics to politics. Such demands have come mostly from what in our societies are called the "middle classes," technicians, intellectuals, skilled labor, students, artists, and the like. Their material position in socialist society was not unsatisfactory relative to that of other classes, except with respect to housing, but they resented restrictions on access to information, freedom of opinion, and creativity, despised bureaucratization, and most of all complained about their living standards relative to those of their western counterparts. But politics and ideology, more than economics, made them angry with state socialism. On the other hand, they demanded moderation of the economic reforms that cause unemployment and depress the living standards of workers.

The refusal of the holders of power in the Soviet Union, China, and Eastern Europe to accept such demands flows from the incompatibility of the demands with the very nature of the reforms—the class struggle dimensions of the drive for "efficiency"—and not just from bureaucratic and authoritarian rigidity. But sooner or later the intransigence of the leaders will push mass protest towards a deadlock with state socialism and, as experience shows, toward the acceptance of gradual integration into the capitalist world. Certainly, too, in Eastern Europe the insensitivity of state socialism and Soviet hegemony to historical traditions has played an important role in feeding unrest.

The questions of political pluralism, of effective observance of human rights, of freedom of expression and access to information, of national identity and autonomy, and the frus-

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trations of the younger generations interact with one another and explode at the very moment when economic reversals take a heavy toll on people's everyday lives. The twentieth century, born under the signs of the peasant revolution in Mexico and the workers' revolution in Russia, looks as though it is about to end with the international triumph of capitalism.

II

The prospects for socialism in the Third World* are shaped by the crises of state socialism in the Soviet Union and Eastern Europe, in three main ways: (1) since the Russian Revolution, the chances of socialist transformation in the periphery of capitalism have always been linked to the availability of resources, cooperation, and assistance from more developed socialist countries; (2) the Soviet and East European models of socialism have been extremely influential in shaping the way peripheral societies have envisioned their own socialism; (3) the pressures from former colonial and anti-socialist powers—which include funding and covert management of counterrevolution—are particularly severe in the absence of help from the socialist world.

But before we proceed, an insistent question must be addressed: except for China and Cuba, to what extent, or in what sense, may we call any of the Third World countries socialist? In Marx and Engels's thinking, socialism could only be achieved by a proletarian revolution in a country with a high enough level of economic development to have wealth without exploitation. What do revolutions in the poverty-stricken Third World have to do with socialism? Peripheral societies are by definition backward, with an incipient, distorted capitalism strongly tied to domestic forms of production and distribution that are non-capitalist but intimately linked to the international capitalist system. Such societies cannot be well characterized

*This section and the two that follow contain a number of rather sweeping generalizations as well as various specific points about particular countries. Doubtless there is no one country in the Third World to which all the generalizations apply, but there is likewise no country that is exempt from all of them.

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in the language of capitalist class conflict. The class that works under capitalist relations of productions is usually very small and unorganized, and so is the capitalist class itself.

These considerations sharply differentiate revolutionary transitions in such societies from any that might take place in more advanced countries. According to Marx, the transition process should lead from capitalism to communism; what Marx termed transition was in fact socialism, a phase that intervened between capitalism and communism, not between capitalism and socialism. The question of "transition towards socialism" has been posed by social revolutions in backward societies and has fundamentally to do with building up the socioeconomic and political preconditions for socialism—a transition to transition, as it is frequently and ironically called. The problem, in its specific aspects, was first posed by the Russian Revolution, faced with the defeat of revolution in Germany and the resulting isolation of the backward Soviet state, which was then left to find its way without precedents or aid from countries more advanced along the road to communism.

As a consequence of the economic realities of Third World societies, developing the productive forces has become the central goal of transition to socialism. There are, of course, additional goals: democratization of the society and polity, workers' control over production, transformation of relations of production, improvement of living standards, and gender and ethnic emancipation, among others. But the question of accumulation has been universally approached as the central one. In the Third World, economic development is the most urgent question because of the need to assert national independence from colonial and neocolonial powers, quite apart from the human urgency of the poverty itself.

As I have stated elsewhere, economic and social transformations, democratization, and national liberation are usually closely interrelated in Third World social revolutions,[6] but in most cases the question of backwardness and development has tended to dominate over other dimensions of transition, or to become a relatively autonomous issue. To a certain extent, therefore, Marxism as a theory of transition has become a

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species of left-wing developmentalism, a method for accelerating modernization.[7] The establishment of new relations of production, direct and effective workers' and peasants' participation, democratization of political institutions and relations, development of new attitudes and motivations, fighting against gender and ethnic discrimination, have not often kept pace with efforts to accumulate the means of production. In not a few cases there has also been a certain tendency to underestimate the contribution of higher levels of popular participation to economic development.

Social revolutions in peripheral economies confront transition under the most precarious conditions. Backwardness is the starting point, and an obstacle to transition. External vulnerability is increased by pressures from the "center"; class struggle becomes more acute as it mingles with ethnic confrontations and clashes among lineage structures; former colonial and imperialist states foment destabilization and counter-revolutionary wars.

Is socialism possible under these conditions? To a certain extent, answering this question is a function of how socialism is conceptualized, and what processes are thought of as transitional. Third World revolutions show that concepts of socialism and transition are considerably more diverse than they were thought to be by nineteenth-century socialists and revolutionaries, and that "socialism" can be a very vague concept indeed. It sometimes seems to be more a question of international relations than of relations of production. According to some Third World political leaders and national liberation movements, economic development, state building, and restructuring of external linkages are as important as socializing political and economic relations and developing popular control of social, political, and economic institutions.

To begin transition from such a shaky starting point introduces new and specific issues, dimensions, and objectives, or superimposes on them an emphasis that would not exist when transition starts from higher levels of development and economic integration: the particular class structures of back-

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ward, non-industrial societies; the need to build a state apparatus and an economic infrastructure at the national level; the question of the articulation of ethnic differentiation and lineage loyalties to incipient class contradictions; the quest for different external linkages; the need for foreign cooperation and solidarity; the quest for specific and effective development strategies; and so on. These new dimensions impose on the transition from backwardness and underdevelopment a prolonged and relatively slow pace.[8]

In some of these cases, complexities in the process of development, the very depth of backwardness, the destructive impact of the war of liberation or of counterrevolutionary war, the extreme insufficiency of natural resources, etc., have led to the assertion that transition must be approached in two stages. The first is reconstruction and development to bring about the conditions for the second, which is the socialist transition itself. But it has also been argued, in rejoinder, that reconstruction and development cannot be carried out without regard for the social relations in which it is embedded, if the end result is to be socialism.[9] In addition, whatever the dimensions and extent of backwardness, there is a range of relative autonomy to the political leadership of the revolutionary process. Objective conditions themselves do not suffice to determine whether a transition will develop. The combination of these elements—weak material base, small working class, petty bourgeois leadership—usually introduces strong tensions between the democratic dimension of the revolutionary process and the urgent need for efficacy and control, usually aggravated by economic and military pressures from former colonial and imperialist powers.

These issues did not appear on the socialist agenda four decades ago. Their appearance and relevance to contemporary discussions of transition give to such discussions a revisionist aspect, and their absence from earlier Marxist thought has made it very difficult to use classical Marxism to gain an understanding of what is going on in the Third World. Indeed, the outpouring of questions brought about by the problem of Third World transition took Marxism by surprise.

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III

One of the central features of the non-capitalist, socialist oriented road is the establishment of economic relations with the USSR and the Council for Mutual Economic Assistance (COMECON). Foreign economic, technical, and military cooperation has been one of the most strategic resources for the socioeconomic transformation of Third World countries and the establishment of these relations has turned out to be the central element in the conceptualization of these regimes as "socialist," in an epoch in which the USSR was waging an aggressive political competition with U.S. expansion in the Third World. From this point onward, the socialist-oriented, or at least non-capitalist, road that these countries were walking was more a function of the friends they could gather abroad than of the policies they were pushing at home. Or to put it a different way, the political classification of Third World regimes become more an issue of international politics than of political economy. Not infrequently, such "socialist-oriented" regimes were highly authoritarian, and their only connection to socialism was their orientation toward the foreign policies of the Soviet Union.*

Be that as it may, the socialist transformation of peripheral societies calls for massive cooperation from abroad for a long time and under extremely generous conditions. This is not a new problem. Marx and Engels raised it when dealing with the possibility of a socialist revolution in Russia that would bypass capitalism almost entirely. They accepted this possibility under one important condition, that the revolution in Russia could count on the support and cooperation of the victorious Western working class. "Only when the capitalist economy has been overcome at home and in the countries of its prime, only when the retarded countries have seen 'how it's done,' how the productive forces of modern industry are made to work as social property for society as a whole—only then will the retarded

*Examples of this sort are Sri Lanka and Uganda during the rule of Idi Amin.

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countries be able to start on this abbreviated process of development."[10]

In addition to what a vast bibliography and long experience teach us about the need for Third World countries to appeal for external cooperation, progressive and revolutionary regimes call for such assistance because the rhythms and conditions for building the new political and economic orders are out of phase, and because the old social and economic orders break down faster than the new orders can be made to work.[11] Gaps always exist between removing old elites from political power and building new institutions and political processes, and there are inevitably lags in achieving socioeconomic changes. The latter are dimensions of the deep transformation that bears its fruits only in the long run, but the aggressive reactions of the former ruling classes and colonial powers are felt in the very short run.

This is not the place to discuss the extent, conditions, and shortcomings of external technical and economic support from COMECON countries to revolutionary and progressive governments in the Third World. For our purposes, only two important points must be brought out.

One point is the fact that this cooperation was vital for these regimes to survive and to implement some important social and economic reforms, to confront counterrevolutionary wars, to train workers, and so on. Perhaps the most outstanding case in point is Cuba. Socialism in Cuba is, above all, a result of the Cubans' own determination—both of the leaders and of the masses—to face down U.S. hostility and aggression. But this determination has been fed for three decades by the support of the USSR and COMECON. Cuba's recognition of the vital character of this support is stated at the very beginning of her Constitution, and Fidel Castro has been particularly explicit on this matter.

> we, I repeat, have solved our problems, not just through social changes, but also because as a Third World socialist country, as a developing socialist country, we have built in a certain way a new international economic order with the socialist international community. Without this foundation, our great social and economic success-

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es, our extraordinary victories in the realms of public health, of education, of sports, in the uprooting of unemployment and malnutrition, in the raising of the material and cultural standards of living of our people, would not have been possible.[12]

To a lesser degree, the same might be said about other Third World revolutions and processes of social reform in Central America, Asia, and Africa, a number of which received vital support from Cuba.

In some cases, this cooperation engendered the fantasy of something like an imported socialism, or a socialism "from outside": the conception that socialism can be imposed on a society as a technical procedure for development—as in some aspects was the case in a few Central European countries after the Second World War. The enthusiastic rhetoric of a number of Third World governments and leaders obviously stemmed from some such fantasy, which was reinforced by the way the Soviet government conducted its relations with Third World countries during the 1960s and 1970s, as a dimension of the USSR-U.S. conflict.[13] But even without manipulation and exaggeration, the record points to the fact that only with abundant and cheap external support can small peripheral societies overcome imperialist domination and develop their societies.

The second point to stress here is that because of the economic and political crises in the USSR and Eastern Europe, abundant and cheap socialist support for progressive governments overseas no longer exists. The very concept of a "socialist community of nations" is outdated.

From the mid 1980s, and in some cases dating even earlier, centrally-planned economies have increasingly turned to the international, i.e. capitalist, market. This reorientation has lent the USSR and Eastern Europe's economic relations with the West a traditional Third World profile; they mainly export primary goods to the West and import industrial goods. At the same time, they act toward the Third World in a reverse way; they mainly export industrial goods and import primary commodities. The East German case has been particularly striking;

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two-thirds of her exports to COMECON have been manufactured goods, whereas more than half of her exports to West Germany have been raw materials.

This opening to the West has exposed the socialist economies to ups and downs that they cannot control. Cuba's case has been particularly dramatic. Rising sugar and oil prices in the 1970s made it attractive to open the Cuban economy to some degree to the international market. Increasing export earnings in hard currencies allowed the Cubans to import equipment and technologies from capitalist countries. But falling prices of sugar and oil at the beginning of the 1980s, and the sustained decline in the U.S. dollar, led in subsequent years to a crisis of foreign debt in hard currencies that coincided with the termination of the Cuban-Soviet agreement on economic cooperation and deferred payment. After a failed attempt to build a united front of Latin American debtors, Cuba had no choice but to deal by herself with the problem. In 1988 and 1989, imports from capitalist countries were cut by half, forcing the government to tighten rationing of some basic products and to seek new sources of hard currency by increasing production for export and encouraging western tourism.

In addition, changes in the USSR and Eastern Europe threaten Cuba with a reduction in foreign cooperation and rising import costs. Increasing problems of spare parts and other supplies, new shortages of foodstuffs, and other problems stemming from economic readjustment threaten the availability of social services and the high standard of living achieved in the years since the Cuban Revolution.

Contrary to widespread belief, the separation of the socialist or socialist-oriented countries from the international capitalist market is mostly a result of western, U.S.-led, pressures and confrontations, and not a strategy deliberately adopted by those countries. Such deliberate strategy as has been adopted is mainly a reaction to an objectively negative situation, a search for an alternative. The alternative more often than not turns out to be more expensive than its predecessor, a misfortune that the peripheral revolutionary countries are not easily able to cope with by themselves.

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The isolation of Cuba from the U.S. market and from much of Latin America was a decision made in the White House. The same must be said of the embargo of the Nicaraguan economy from 1985 to 1990 and the resulting reorientation of Nicaragua's foreign trade towards COMECON, and of the U.S. refusal to establish normal relations with Vietnam once the war was over, notwithstanding Vietnamese appeals on this point. Establishing or strengthening economic and trade ties with the Soviet Union and Eastern Europe enabled Third World revolutionary regimes to adjust partially to the perverse impact of rupture with the international capitalist market. This proved to be an expensive way out because of higher comparative costs and technological lags in the centrally-planned economies and the costs of reorienting peripheral economies to different technologies. The generally favorable economic relations between the USSR and Cuba cannot be generalized to the rest of the Third World, and recently the leadership of Cuba has become less enthusiastic about this relationship than it has been in the past.[14]

Socialist cooperation with the Third World, then, has been reduced as a result of economic hardship, crisis, and restructuring in recent years, and of the ongoing negotiations between the Soviet and U.S. governments. Trade increasingly replaces aid, under conditions that no longer resemble those of an earlier era.

In spite of their ambiguities and contradictions, the attempts to construct socialism produced, in the Third World as elsewhere, very important improvements in the living conditions of the masses. In many cases these achievements could not be sustained, much less increased, and in global terms the economic performance is far from satisfactory. But this disheartening conclusion is the result of a comparison between socialist goals and socialist achievements. A more promising balance is obtained when the comparison is made between socialist and capitalist achievements in the Third World. From this second perspective, the condition of the countries that have attempted a socialist transformation is, in general, significantly better than that of their capitalist-oriented neighbors. And

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even where the gap between socialist goals and achievements is particularly deep, it has more to do with the extremely aggressive international environments created by U.S. imperialism than with the shortcomings of socialist or socialist-aligned strategies.[15]

The international conditions that *enabled* some Third World countries to choose a socialist strategy no longer exist, but those that *forced them to do it* are stronger than ever. The traditional socialist slogan that "the Soviet Union is the strategic ally of the Third World" can no longer be repeated without hesitation. But at the same time, the failure of capitalism to solve *any* of the most urgent and appalling problems of vast and growing populations all over the Third World is perfectly evident. De-accumulation and wretched poverty are the most salient traits of market economies in peripheral societies, in a pervasive environment of political instability and personal insecurity.

In spite of the enormous present difficulties, therefore there can be only a positive answer to the question posed in the title of this paper. The current situation of socialism in the Third World is undeniably bleak, less promising in fact than it has been for many years. But the choice for these countries is not socialist development or capitalist development. It is socialist independence or capitalist peripheralization. Socialism is therefore the only possible alternative for Third World countries that are looking, not just for economic development, but for real and effective democracy as well.

NOTES

1. Figures form CEPAL, *Balance preliminar de la economía del América Latina y el Caribe*, 1989 (Table 3). See also Claes Brundenius, *Revolutionary Cuba: The Challenge of Economic Growth with Equity* (Boulder: Westview Press, 1984).
2. See Mikhail Gorbachev, *Perestroika* (New York: Harper and Row, 1987)
3. See Neil Harding, "Socialism, Society, and the Organic Labor State," in Neil Harding (ed.), *The State in Socialist Society* (Albany: State University of New York Press, 1984), pp. 1–50.
4. See *The USSR in Figures* (Moscow: Finansy i Statistiki, 1984)
5. The profound political pressures to introduce these were identified and discussed by Sweezy and Bettelheim in their exchange of letters two decades ago. See Paul M.

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Sweezy and Charles Bettelheim, *On the Transition to Socialism* (New York: Monthly Review Press, 1971), Part 1.

6. Carlos M. Vilas, *The Sandinista Revolution* (New York: Monthly Review Press, 1986), Chapter 1.
7. See, for example, Leo Huberman, "Why socialism is necessary," *Monthly Review*, January 1969; H. Mansilla, "El socialismo como sistema de modernización acelerada en las periferias mundiales," Hómines 9 (1985), pp. 116–127. For a more detailed discussion of what I consider a reductionist approach, see Carlos M. Vilas, *Transición desde el subdesarrolo* (Caracas: Nueva Sociedad, 1989), Introduction and Chapter 3.
8. See Barna Talas, "Specific Prerequisites for the Transition to Socialism in the Socio-Economically Underdeveloped Countries," *Development and Peace* Vol 4(2), Autumn 1983, pp. 208–224.
9. The first approach can be seen in the history of Zimbabwe and Nicaragua. See A. Astrow, *Zimbabwe: A Revolution that Lost its Way?* (London: Zed Books, 1983); Jaime Wheelock, *El gran desafio* (Managua: Editorial Nueva Nicaragua, 1983); Víctor Tirado López, La toma del poder politico (Managua: Ediciones de la CST, 1985). The second approach is clearly that of Cuba and Vietnam, among others.
10. Frederick Engels, "Afterword to On Social Relations in Russia," Karl Marx and Frederick Engels, *Selected Works*, Vol. 2 (Moscow: Progress Publishers, 1969), pp. 403–4.
11. I have dealt with this issue elsewhere. See Carlos M. Vilas, "International Constraints to Progressive Change in Peripheral Societies: The Case of Nicaragua," in Arthur MacEwan and William K. Tabb (eds.), *Instability and Change in the World Economy* (New York: Monthly Review Press, 1989), pp. 316–330.
12. Fidel Castro, *La impagable deuda externa de América Latina y el Tercer Mundo, entrevistal al diaro Excélcior de México* (La Habana: Editora Politica, 1985), p. 35. Translation by Carlos Vilas.
13. See Robert Cassen, editor, *Soviet Interests in the Third World* (London: Sage Publishers, 1985).
14. See, for example, the statements of Fidel Castro in *Excélsior* (Mexico, March 23, 1990, pp. 1, 10.
15. Several years ago Mesa Lago tried to question, with more ideology than data, the performance of the Cuban economy by comparison with that of Costa Rica. He concluded that although Cuba had done well, Costa Rica had done better. No one, of course, would build a theory of Latin American capitalism on the case of Costa Rica alone, just as no one would develop a theory of peripheral socialism based on Cuba alone. And in any case, Costa Rica was not subjected to boycott by the United States. See Carmelo Mesa Logo and Serio Díaz-Briquets, "Estrategias diferentes, países similares: Las consecuencias para el crecimiento y la equidad en Costa Rica y Cuba," *Anuario de Estudios Centroamericanos* 14 (1988), pp. 5–23.

With the Sovict threat receding and the budget shrinking, all the military services are competing for the lead role in future assaults in the third world.

—From the first of a series on "Shrinking the Military," *New York Times*, May 20, 1990

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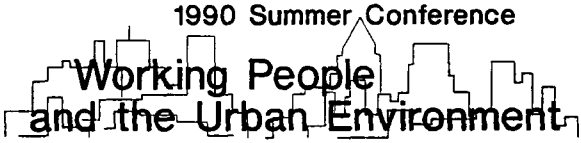

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(Continued from inside front cover)

agrees that the society that has emerged in the late twentieth century is strangling itself. The conclusion is unavoidable: either it will fundamentally change, or humankind will be dragged downward into a spiral of social disintegration.

But in another respect, the statement could hardly be more controversial. If it were really true that the necessary fundamental change has to be accomplished—or at least to be irreversibly in progress—by 2030 there would little hope for human civilization as we have known it. Historically, 40 years is a very short time. Only think of what has happened in the last 40 years. This is precisely the period when the throwaway society (a.k.a. capitalism) has developed its most characteristic modern-day traits. All its most destructive tendencies are in full operation. Fortunately, hopeful signs of opposition are also appearing, but so far this opposition has not been directed toward fundamental change but only at slowing down the rush to disaster. In this it has a few modest achievements to its credit. But to imagine that in the next 40 years it can develop into a force capable of reshaping a global social order that has been evolving and gaining strength for a least four centuries is to fly in the face of everything we know about how history works.

If this line of reasoning is accepted, it seems clear to us that two relatively simple conclusions follow: (1) We must assume that the period in which decisive progress toward s a sustainable future can be set in train is both uncertain and can be prolonged by all-sided struggle against the destructive tendencies of our existing society. (2) But a struggle against destructive tendencies is not enough; it must merge with and become an integral part of a longer-run-oriented struggle to achieve the kind of fundamental changes Lester Brown and his colleagues see as indispensable to the human future.

This issue of MR is, we think, a fine way to introduce the magazine to new readers. If you agree; why not send a gift subscription or two? Simply use the convenient bind-in card which our circulation manager Martin Paddio has provided, and he will immediately send this issue and an attractive card announcing your gift to the person(s) you designate. Subscriptions are $22; if you send more than one, however, the additional subscriptions are available at the reduced rate of $18.

We want to alert readers of this special issue to the Conference on the Future of Socialism that Monthly Review is co-sponsoring with the New York Marxist School on October 12-14. There is an urgent need to bring people together to discuss recent events in Eastern Europe and the Soviet Union and how they affect socialism as a world movement. We are inviting speakers from both Eastern Europe and the Third World, and are raising funds to make it possible for them to come. This is the first time that we have been directly involved in such a large undertaking, and we hope that you will find the prospect as timely as we do. Registration details are in the announcement on page 9.

We were specially touched by two recent contributions to MR. The first was from Kate Oser, widow of Jacob Oser, author of *Must Men Starve?*, an excellent book that never got a fraction of the attention it deserved, and *The Evolution of Economic Thought.* Her accompanying letter reads: "This check [$500] is made possible because of a royalty check for the 4th edition of *The Evolution of Economic Thought* which was brought up to date by Stanley L. Brue [Harcourt, Brace Jovanovich, $41.75]. So this donation is in Jack's memory (MR was close to his heart). Warm wishes and hopes for you to stay afloat! Love to you all!"

The second is a bequest from the estate of Leslie Sander [$1,000] who died of cancer at age 22 on June 11, 1989, exactly a year ago as we write this note. As we explained in last September's issue of MR, Leslie, after graduating from Simon's Rock (Bard College), served a year's internship with us at MR before entering the Columbia School of Journalism. She was a brilliant student, a fine co-worker, and certainly would have made her mark in journalism.

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